

**ALASKA LEGISLATURE**

**1619**

**HOUSE and SENATE FINANCE COMMITTEE FILES, ( 1997-1998**

**HB**

**33**

**SFIN**

**FILE**

**STATE OF ALASKA  
THE LEGISLATURE**

**SENATE SECRETARY'S OFFICE**

P O Box V  
Juneau, Alaska 99811  
465-3701

TO *Ferry Lee - Room 520*

REMARKS:

*Return* HB 33 WAIVER  
NOTICE

FROM *Sen Seef* DATE *4/23*



# Alaska State Senate

## Senate Finance Committee

Official Business

Mail Stop 3100  
State Capitol  
Juneau, Alaska 99801-1182

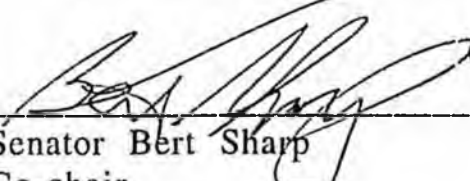
### SENATE FINANCE COMMITTEE BILL WAIVER REQUEST 20th Legislature

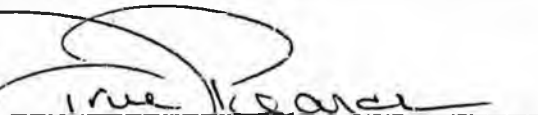
BILL NUMBER HB 33 CURRENT VERSION CS HB 33(FIN) am


SHORT TITLE REAL ESTATE LICENSING

SPONSORED BY REP. ROKEBERG BY REQUEST

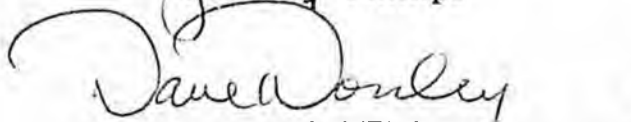
I have no objection to waiving the hearing requirement and the current referral of this bill to the Senate Finance Committee.

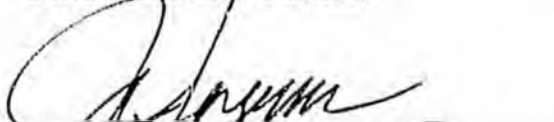
  
\_\_\_\_\_  
Senator Bert Sharp  
Co-chair

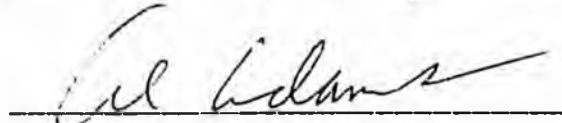
  
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Senator Drue Pearce  
Co-chair

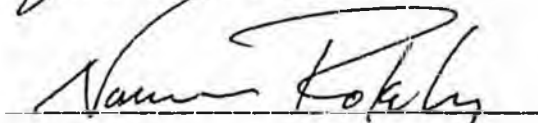
  
\_\_\_\_\_  
Senator Randy Phillips

  
\_\_\_\_\_  
Senator Sean Parnell

  
\_\_\_\_\_  
Senator Dave Donley

  
\_\_\_\_\_  
Senator John Torgerson

  
\_\_\_\_\_  
Senator Al Adams

  
\_\_\_\_\_  
Bill Sponsor

#### Fiscal Notes:

- Non-zero \$7.1 TO ADOPT NEW REGULATIONS
- Zero \_\_\_\_\_

See attached Bill History for previous Committee action(s).

# FISCAL NOT

No: 1

**STATE OF ALASKA**  
**1998 LEGISLATIVE SESSION**

Bill Version: CSHB 33 (L&C)  
 (H) Publish Date: 1/30/98

Revision Date: \_\_\_\_\_  
 Title: An Act relating to real estate licensing and the  
raai estate surety fund;....  
 Sponsor: Representative Rokeberg by Request  
 Requestor: House Labor and Commerce

Department: Commerce and Economic Development  
 BRU: Occupational Licensing  
 Component: Operations  
 COMPONENT SERIAL NO. 1844

Expenditures/Revenues	(Thousands of Dollars)					
OPERATING EXPENDITURES	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	7.1	7.1				
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>7.1</b>	<b>7.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

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 1091 Designated PR	7.1	7.1				
<b>TOTAL</b>	<b>7.1</b>	<b>7.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY 98) cost: \$ 0.0

POSITIONS						
FULL-TIME						
PART-TIME						
TEMPORARY						

**ANALYSIS:** (Attach a separate page if necessary)  
 HB 33 makes several amendments to the real estate licensing statutes, AS 08.88. The costs shown on this fiscal note represent costs associated with the re-write and public noticing of regulations for \$1.2; printing and mailing of new statute and regulation booklets to approximately 2,124 licensees for \$5.9. No costs are included for restructuring of the examination since the exam is scheduled for review at no additional costs in FY 98 by the exam contractor. Costs are shown for the first two-years only to cover the implementation stage of this legislation. Once HB 33 is implemented, these costs will no longer apply. \*\*\*Revenue in both designated program receipts and the surety fund can be expected to increase with the authority to set fees for each type of endorsement and to recover costs for educational programs. However, the amount of revenue cannot be estimated at this time until fees are reviewed in accordance with sec. 08.88.221.

Prepared by: Jennifer Strickler, Administrative Manager  
 Division: Occupational Licensing  
 Approved by Commissioner: Deborah B. Sedwick  
 Agency: Commerce and Economic Development

Phone: 465-2144  
 Date: 1/29/98  
 Date: \_\_\_\_\_

**HB**

**35**

**HFIN**

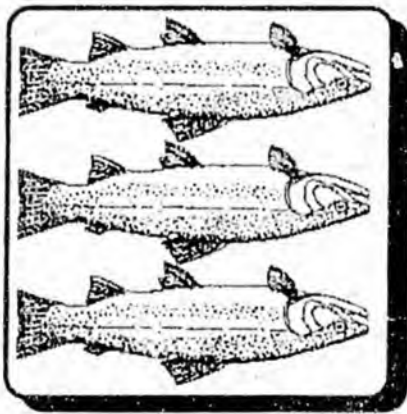
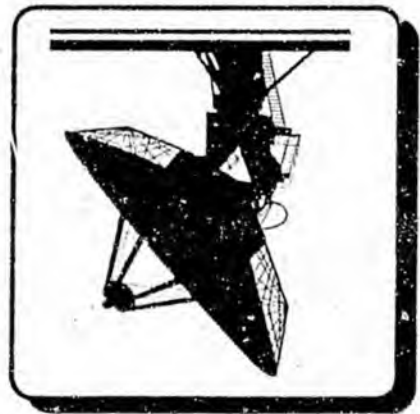
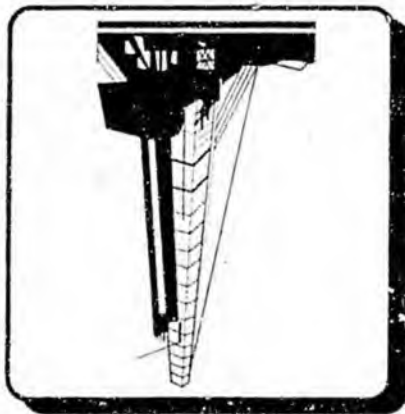
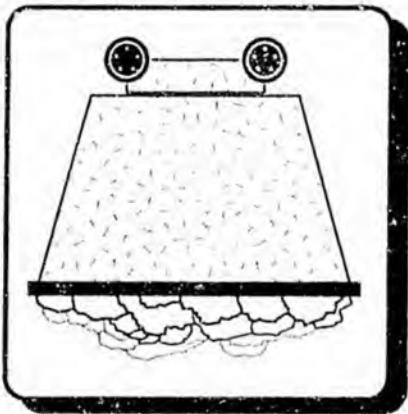
**FILE**

March 1996

# ANNUAL REPORT

## Development Organizations

### Alaska Regional



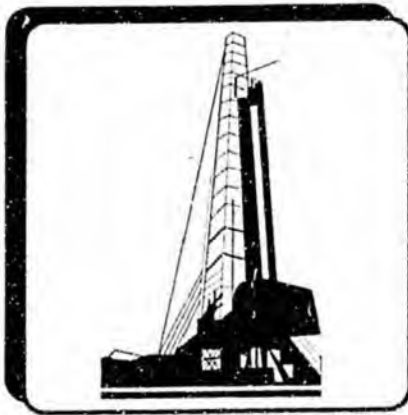
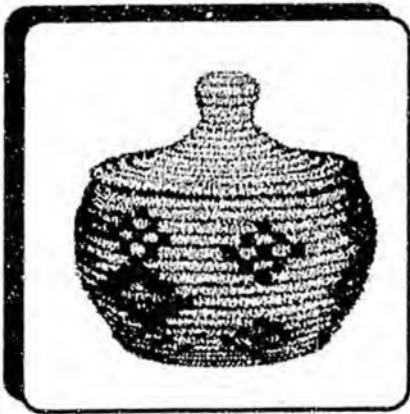
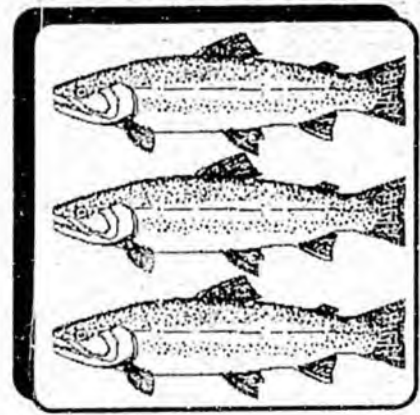
# CORRECTION

THE FOLLOWING DOCUMENT(S)  
HAVE BEEN REFILMED TO  
ASSURE LEGIBILITY OR PAGINATION



Rev. 6/98

Central Microfilm Services  
Department of Education  
State of Alaska



Alaska Regional  
Development Organizations  
**ANNUAL REPORT**

March 1996

# ALASKA REGIONAL DEVELOPMENT ORGANIZATIONS

## **ANCHORAGE ECONOMIC DEVELOPMENT CORPORATION**

Designation Date: April 11, 1989  
Max Lowe, Chairman  
Patricia DeMarco, President  
550 West 7th Avenue, Suite 1400  
Anchorage, AK 99501  
Phone: 258-3700 Fax: 258-6646

## **ARCTIC DEVELOPMENT COUNCIL**

Designation Date: March 1, 1991  
David Baker, President  
Don Schindler, Executive Director  
P.O. Box 1353  
Barrow, AK 99723  
Phone: 852-4146 Fax: 852-2683

## **COPPER VALLEY ECONOMIC DEVELOPMENT COUNCIL**

Designation Date: November 1, 1990  
Carol Neeley, President  
Donna Tollman, Executive Director  
P.O. Box 9  
Glennallen, AK 99588  
Phone: 822-5001 Fax: 822-5009

## **KENAI PENINSULA BOROUGH ECONOMIC DEVELOPMENT DISTRICT**

Designation Date: February 22, 1989  
James Elson, Chairman  
Stan Steadman, Executive Director  
P.O. Box 3029  
Kenai, AK 99611  
Phone: 283-3335 Fax: 283-3913

## **LOWER KUSKOKWIM ECONOMIC DEVELOPMENT COUNCIL**

Designation Date: September 17, 1991  
Andrew Guy, Chairman  
Carl Berger, Executive Director  
P.O. Box 2021  
Bethel, AK 99559  
Phone: 543-5957 Fax: 543-2255

## **LOWER YUKON ECONOMIC DEVELOPMENT COUNCIL**

Designation Date: November 1, 1991  
Larry Lujan, President  
Susan Anderson, Executive Director  
P.O. Box 2021  
Anchorage, AK 99524  
Phone: 271-2424 Fax: 271-3951

## **MAT-SU RESOURCE CONSERVATION AND DEVELOPMENT, INC.**

Designation Date: November 1, 1993  
Ted Smith, President  
Douglas Smith, Executive Director  
351 West Parks Highway, Suite 100  
Wasilla, AK 99654  
Phone: 373-1062 Fax: 373-1064

## **NORTHWEST ARCTIC BOROUGH ECONOMIC DEVELOPMENT COMMISSION**

Designation Date: June 28, 1989  
Charlie Curtis, Chairman  
Jeff Hadley, Executive Director  
P.O. Box 1110  
Kotzebue, AK 99752  
Phone: 442-2500 Fax: 442-2027

## **PRINCE WILLIAM SOUND ECONOMIC DEVELOPMENT COUNCIL**

Designation Date: November 1, 1991  
Jackie Robb, President  
Paul Roetman, Executive Director  
P.O. Box 2353  
Valdez, AK 99686  
Phone: 835-3775 Fax: 835-5770

## **SOUTHEAST CONFERENCE**

Designation Date: April 14, 1989  
J. Allan MacKinnon, President  
Berne Miller, Executive Director  
124 West Fifth Street  
Juneau, AK 99801  
Phone: 463-3445 Fax: 463-4425

## **SOUTHWEST ALASKA MUNICIPAL CONFERENCE**

Designation Date: April 6, 1989  
Alice Ruby, President  
Mary Stadum, Executive Director  
3300 Arctic Boulevard, Suite 203  
Anchorage, AK 99503  
Phone: 562-7380 Fax: 562-0438



# ARDOR Association

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March 1996

## Members

Donna Tollman, President  
Copper Valley Economic  
Development Council

Stan Steadman, Vice President  
Kenai Peninsula Borough  
Economic Development District

Susan Anderson, Secretary  
Lower Yukon Economic  
Development Council

Paul Roetman, Treasurer  
Prince William Sound Economic  
Development Council

Patricia DeMarco  
Anchorage Economic  
Development Corporation

Don Schindler  
Arctic Development Council

Carl Berger  
Lower Kuskokwim Economic  
Development Council

Douglas Smith  
Mat-Su Resource  
Conservation and Development  
Corporation

Jeff Hadley  
Northwest Arctic Borough  
Economic Development  
Commission

Berne Miller  
Southeast Conference

Mary Stadium  
Southwest Alaska Municipal  
Conference

Dear Reader,

As we approach the seventh anniversary of designation of the first Alaska Regional Development Organization (ARDOR), there are many accomplishments to point to and many challenges that remain.

During this time, the very real need for regional economic development planning and program implementation has become increasingly evident. Each ARDOR office has not only become a focal point for development activity in its region but, increasingly local residents and organizations are looking to ARDORs for economic development services and leadership. At the same time, the challenge has become even greater to find the resources necessary to carry out this important work.

Three years ago, the Alaska Legislature had the foresight to grant state agencies the authority to enter directly into contracts with ARDORs. As both federal and state agencies look for ways to downsize, while still providing a necessary level of public service, ARDORs are proving to be logical choices to bring the delivery of those services closer to the users and at a lower cost. This approach is typical of the national movement to the regionalization of federal and state program delivery and provides many opportunities for increased efficiencies and greater local participation in determining and meeting community needs.

During 1995, the ARDORs not only carried out significant economic development programs within their individual regions, but worked together on a number of projects with statewide implications. Additionally, ARDORs rededicated themselves to insuring high-level operating standards and accountability for the productive use of public and private resources.

As we prepare to enter the 21st century, the members of the ARDOR Association are committed to developing strong regional economies and healthy communities for Alaskan families throughout our state.

Sincerely,

Donna Tollman  
President



## The Year in Review

**"I'm a firm believer in the long range planning aspect of regional development and the strength of local input and ownership that it provides."**

*Dave Cobb, Business Manager, Valdez Fisheries Development Association*

The Alaska Regional Development Organizations (ARDOR) program was conceived and implemented for the purpose of establishing a network of regional organizations to plan and promote economic development at the regional level. In 1988, the Alaska Legislature established the program in statute in support of the widely held belief that locally driven initiatives, in partnership with the state, can most effectively stimulate economic development and produce healthy, sustainable local economies.

To qualify for designation as an ARDOR, applicant organizations must meet specific criteria that insure their broad-based public and private sector support as well as carry out detailed work programs that address their region's economic development needs. The program allows maximum flexibility for determining local priorities but it requires that ARDORs retain qualified, professional staff to administer their programs. Additionally, ARDORs are charged to work with the private sector, local communities, development agencies and organizations within their regions to produce a regional development strategy. This document, which must be updated every two years, provides the framework for development activities undertaken by the organizations.

Since its inception, the ARDOR program has been administered by the Division of Trade and Development within the Department of Commerce and Economic Development. The division's role has been to review annual ARDOR work plans, award and administer matching grants in support of those efforts and provide technical and professional support to ARDORs to help them achieve their goals. This level of support has been made possible with annual grants from the U.S. Economic Development Administration (EDA) matched with state CIP dollars. All state operating budget appropriations to the program have been passed directly to the ARDORs.

In FY97, administrative responsibility for the ARDOR program is proposed to be transferred to the Department of Community and Regional Affairs. Additionally, the state has been notified that grants from the EDA will no longer be available to underwrite the cost of support services to ARDORs. The coming year will certainly require some adjustments on the part of the ARDORs and the state agency with whom they will be most closely associated.

In FY96, the legislature appropriated \$650,000 for financial support to ARDORs; a \$250,000 decrease from FY95. This provides funding of approximately \$55,000 to each designated

organization. Even this modest investment enabled ARDORs to leverage an additional \$5.9 million from federal, private and other funding sources. Most impressive is the growth in ARDOR revenues derived from fees for services which grew from \$557.0 in FY95 to \$3,177.7 to date in FY96. This reflects the increased confidence other public and private organizations have in ARDORs as they contract with them to implement projects and deliver services to user groups in their regions.

As part of their commitment to quality management and a strong public image, late in FY95 the ARDORs underwent a compliance review which resulted in one organization voluntarily ceasing operations and a second organization losing its designation as an ARDOR. This was followed by a second ARDOR losing its designation in the first half of FY96. In each case, the inability of the ARDOR to function at an appropriate level was a result of the lack of strong support for the organization from within its region. Happily, efforts are now underway to structure new ARDORs in two of those regions and it is anticipated that they will soon again be fully participating in the program.

As part of the FY96 funding application process, all ARDORs completed a self-administered survey to evaluate the degree to which they are engaged in appropriate economic development activities and operate consistent with sound management practices. The results of this survey have been analyzed and the survey instrument is being modified for continued use as a management tool.

Finally, amendments to the regulations under which the ARDOR program is administered have been proposed. Scheduled for release for public comment soon, these amendments simplify program administration and clarify ambiguous language which results in differing interpretations of program intent and regulatory requirements.

It has been a year of challenges and accomplishments for ARDORs and the future looks no less demanding. But with each year, the need for regional development organizations becomes evermore apparent and the only acceptable response must be to redouble our commitment to building strong regional economies for the benefit of all Alaskans.

**"The success of SWAMC and all regional development organizations will ensure success in the region, the state and the country as a whole. People and communities who are self-reliant and feel they can contribute will always be an essential asset to the country."**

*Jack McFarland,  
Director, SWAMC*



## **Anchorage Economic Development Corporation**

**Patricia M. DeMarco, Ph.D., President**

**"The ARDOR network is one of the most effective mechanisms for coordinating activities across the entire state. The regular contact mechanism and professional responsiveness of the ARDORs make economic development efforts better integrated without losing focus."**

*Max Lowe,  
Chairman of the Board,  
AEDC*

The Anchorage Economic Development Corporation (AEDC) is a private nonprofit corporation with support from over 150 private firms, the City of Anchorage and the State of Alaska. The AEDC promotes business development by attracting new business, expanding existing businesses, and promoting opportunities for international trade.

Many successful marketing programs and activities were conducted in 1995. Following are examples of AEDC's major 1995 accomplishments:

- Continued support of the statewide BUY ALASKA program generated 185 jobs. By encouraging the use of Alaska made goods and services, \$12.35 million was added to or retained in the Alaska economy.
- Submitted company-specific proposals to three major firms considering Anchorage as a location for distribution operations. Continued intense follow up with these and other global logistics prospects.
- Published a winter tourism needs assessment and began pursuing development of the recommended infrastructure projects.
- Initiated the formation of the Alaska High-Tech Business Council to be chartered in early 1996, to support and promote Alaska's high tech industry.
- Continued work with Alaska and Hawaii senators on a visa waiver proposal to allow more Koreans to travel to these two states. Continued heavy promotion of Alaska as a year-round destination to tourists from Korea and Japan and completed an Alaska travel manual for Korean travel agents.
- Collaborated with the Kenai, Mat-Su and Fairbanks ARDORs to deliver a presentation about investment opportunities in Alaska to delegates to the USA-Republic of China Joint Business Council conference held in Alaska in September 1995.
- Presented informational seminars about Alaska in Boston, Minneapolis and Chicago; producing many viable business development contacts.
- At the request of Mayor Myster, began facilitation of the Anchorage Seafood Industry Task Force to find ways to provide more of the support services for the seafood industry from within Alaska.
- Increased communication with companies in Alaska as well as outside by developing a Home Page on the Internet (<http://www.alaska.net/~aedc/>) and conducting a direct mail program to outside companies. These efforts resulted in over 5,000 new business contacts for AEDC.

AEDC's 1996 work plan calls for continued business development in the target industries of international cargo services, manufacturing and distribution, winter tourism infrastructure, seafood processing, headquarters employment and knowledge intensive industries.

### **Board of Directors: Max J. Lowe, Chairman**

- Dennis C. Bird
- Ernest E. Hall
- B. John Shipe
- Michael F. Brady
- Rick L. Nerland
- Mike E. Stone
- Fuller A. Cowell
- Mel P. Nichols
- Phil A. Thingstad
- George R. Findling
- Tennys B. Owens
- Dana L. Tindall
- Jim M. Gorski
- Robert C. Penney



## Arctic Development Council

Don Schindler, Executive Director

The Arctic Development Council is the lead development agency for the North Slope Borough. Created by the region's business leaders in 1991, it provides a vital and necessary forum for representatives of major public and private entities to address regional issues at a grassroots level. Highlights of last year include:

### Small Business Support Services

- Nearly 900 client contacts. Primary contact categories:
  - General business information (21 percent)
  - Business breakfasts/training workshops (19 percent)
  - Requests for loan and financial information (13 percent)
  - Requests for Mayor's Mini-Grant program information (9 percent)
- Completed outreach plan for village-based business support services
- Conducted KUVRAQ I entrepreneurial training program with six graduates
- KUVRAQ I and II training programs scheduled for March 1996
- Grant writing assistance:
  - Two RDA applications for City of Anaktuvuk Pass; one funded
  - Provided information on grant and loan availability to over 250 clients
- Contract assistance:
  - Consultation to Pt. Lay on development of fuel delivery alternatives
- Training and Referrals:
  - Four workshops on small business start up and management topics

### Small Business Incubator Services

- Opened for business July 1995; first tenant admitted November 1995
- Services provided to incubator clients include:
  - Shared secretarial and office support
  - Photocopying and clerical support
  - Access to business library and data terminals
  - Building security and professional building management
- Received Alaska Municipal League Award of Excellence in *Innovation in Economic Development* category

### Revolving Loan Fund

- Revolving Loan Fund Implementation Plan submitted to borough for "seed" capitalization
- Possibility of federal match for borough capitalization appears likely
- Plan provides micro-loans of \$5.0 to \$15.0 for working capital and inventory purchases
- ADC role as community lender permits growth into funding source for larger fixed asset financing

### Board of Directors: David Baker, President

- |                    |                 |                     |
|--------------------|-----------------|---------------------|
| • Brian Bazzett    | • Jeslie Kaleak | • Ben Nageak        |
| • Robert Harcharek | • Tony Kesler   | • Grant Thompson    |
| • Robin Harrison   | • Bruce Kleven  | • Jim Vorderstrasse |
| • David Hoffman    | • Price Leavitt |                     |

**"The Arctic Development Council is a very needed organization. It is helping small businesses form in Barrow and our outlying communities. It is extremely important to help these small businesses get going, especially in this region which is dependent on such a high percentage of government jobs."**

*Grant Thompson,  
President, Cape Smythe  
Air Service*



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## Copper Valley Economic Development Council

Donna Tollman, Executive Director

**"The CVEDC is responsible for many activities that have gone a long way toward bettering the quality of life in our region. The ARDOR program has reinvigorated us and created more excitement and interest in this community than we've seen since construction of the pipeline."**

*Theresa Absher, CVEDC  
Director*

The mission of the Copper Valley Economic Development Council (CVEDC) is to coordinate public and private resources in the Copper Valley region to create an environment in which economic development can occur. CVEDC has a number of projects underway to further our goals and objectives for economic development in the Copper Valley region of Alaska.

Installation of the Interactive Distance Learning/Medical Link project is underway. This project will provide interactive television linkage to seven communities' school sites, three medical clinics and Prince Williams Sound Community College to provide expanded educational, medical, and work force development and training opportunities.

Visitation to the Copper Valley continues to increase as the National Park Service advances its plans to build a new Visitor Center and Park Headquarters to serve the Wrangell St. Elias National Park and Preserve. The Kennicott/McCarthy area is receiving increased visitation, which, in turn, is creating a number of opportunities for residents throughout the region. CVEDC is working on a number of hotel and restaurant development projects, as well as smaller businesses to accommodate the needs of the visitors and local residents.

CVEDC continues to provide assistance to local communities with project development, day care assistance, business information, business planning, financing and funding information and job training. The ARDOR provides a strong linkage between the region's public and private sectors.

Affordable energy remains a key barrier to economic development in the region. CVEDC and its board of directors feel the Sutton to Glennallen Interie is the long-term solution to overcoming this barrier. The construction of the line would ultimately mean a better bottom line for existing business and would make new business development a feasible proposition.

**Board of Directors:** Carol Neeley, President

- Theresa Absher
- Mary Bowman
- John Downes
- Darby Hobson
- Vickie Nelson
- Thelma Schrank
- Will Tipton
- Susan Winingham



## **Kenai Peninsula Borough Economic Development District**

**Stan Steadman, Executive Director**

The KPBEDD mission is to serve the residents of the Kenai Peninsula Borough by enhancing the quality of life through responsible and sustainable regional economic development activities. To further the mission, the KPBEDD managed a variety of projects in 1995 which are leading to significant development activities.

- **Expanded Infrastructure:** analyzed natural gas access to Homer, Seward, and communities in between; planned for development of a world-class volcano interpretive center between Anchor Point and Ninilchik; participated on team to establish a shellfish research and hatchery facility in Seward and shellfish nursery in Kachemak Bay; studied economic impact of expanded ice rink development in communities throughout Kenai Peninsula; and served on teams to develop a Challenger Learning Center in Kenai and make downtown improvements through Soldotna Main Street Program.
- **Opportunities for Entrepreneurs:** administered a \$280,000 revolving loan fund which has provided financing to 13 businesses; established UAA/Small Business Development Subcenter which provided training, consultation and other technical assistance; established Business Innovation Center (small business incubator); awarded one of six national Ford Foundation/National Association of Development Organizations Partnership Grants to establish Youth Enterprise Development Project.
- **Community Capacity Building:** provided administrative and/or technical support to the Kenai Peninsula Tourism Marketing Council, Kenai Peninsula Resource Conservation and Development District, Kachemak Shellfish Mariculture Association, Healthy Communities-Healthy People, Kenai Peninsula Opportunities, and the Peninsula School-To-Work Program.
- **Information and Publications for Economic Opportunities:** published Situation & Prospects (S&P), Quarterly Update, Overall Economic Development Plan: 1995 - 96 Update, and EDD Update; provided funding support for Kenai Peninsula Meeting Planner Guide, and distributed Kenai Peninsula Borough Prospectus.
- **Developing Markets:** facilitated Russian exchanges with Sakhalin region in cooperation with Russian American Center and in anticipation of local oil and gas industry involvement; organized trade missions to Russia and sister city, Akita, Japan.

These projects resulted in the involvement of over six hundred residents on boards, councils, task forces, and oversight committees. 1995 was a productive year for Kenai Peninsula economic development efforts.


**"It wasn't many years ago that people from the various Kenai Peninsula communities had a difficult time discussing a regional issue, let alone working together to resolve one. Today, with the KPBEDD's help as a facilitator and forum for region-based cooperative efforts, people and communities through out the borough routinely interact for the mutual benefit of all. The ARDOR program is one of the major reasons this has become possible."**

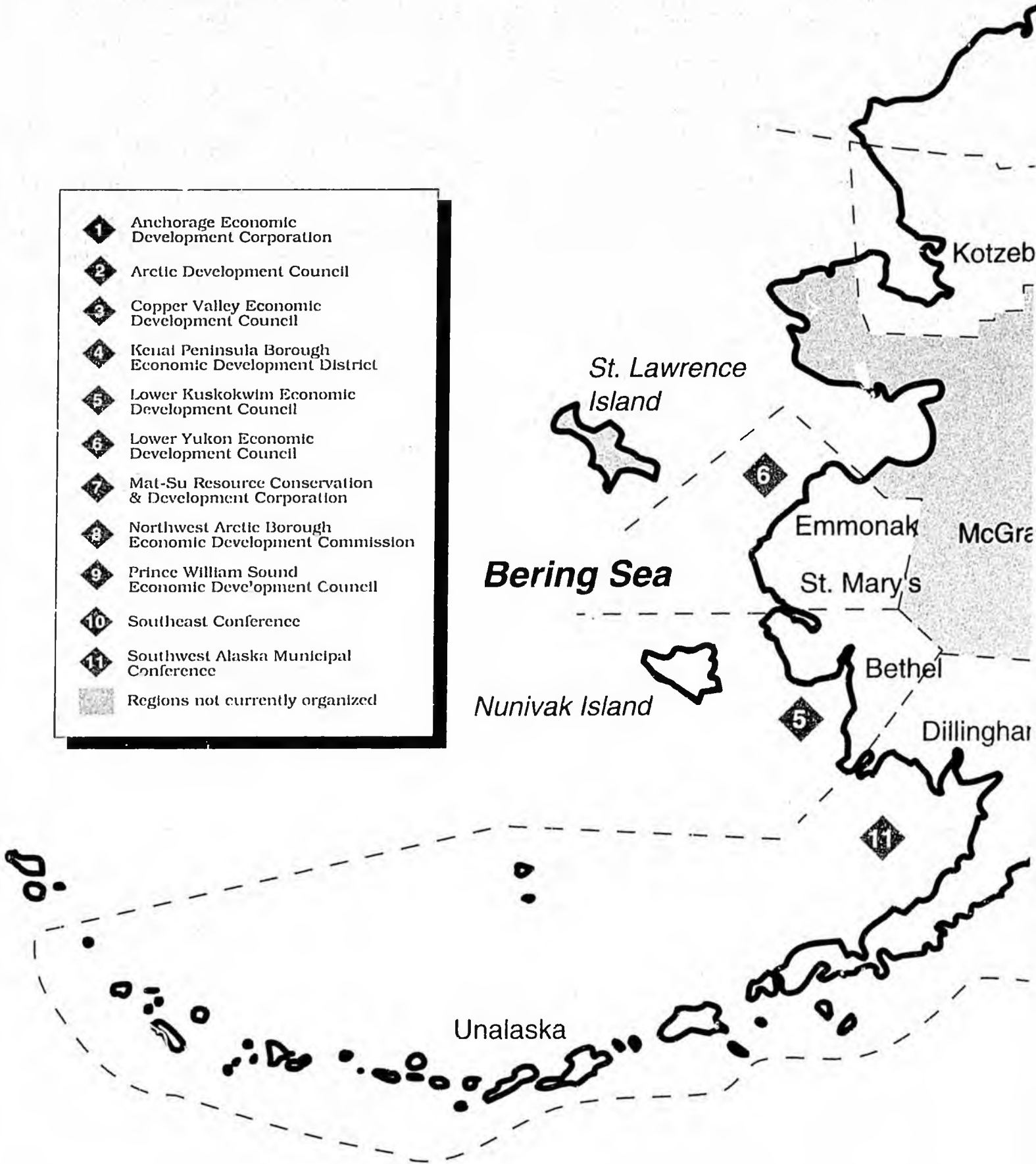
*Jeff Murphy, KPBEDD  
Director*

### **Board of Directors:** James A. Elson, Chairman

- Louis Bencardino
- Jack Brown
- Penny Carty
- Jim Chambers
- Kurt Eriksson
- Harry E. Gregoire
- Debra Horne
- Tom Manninen
- Sharon Moock
- Philemon Morris
- Jeff Murphy
- Ray Springer
- Drew Scalzi
- Mary Tougas
- Jefferson Trenton

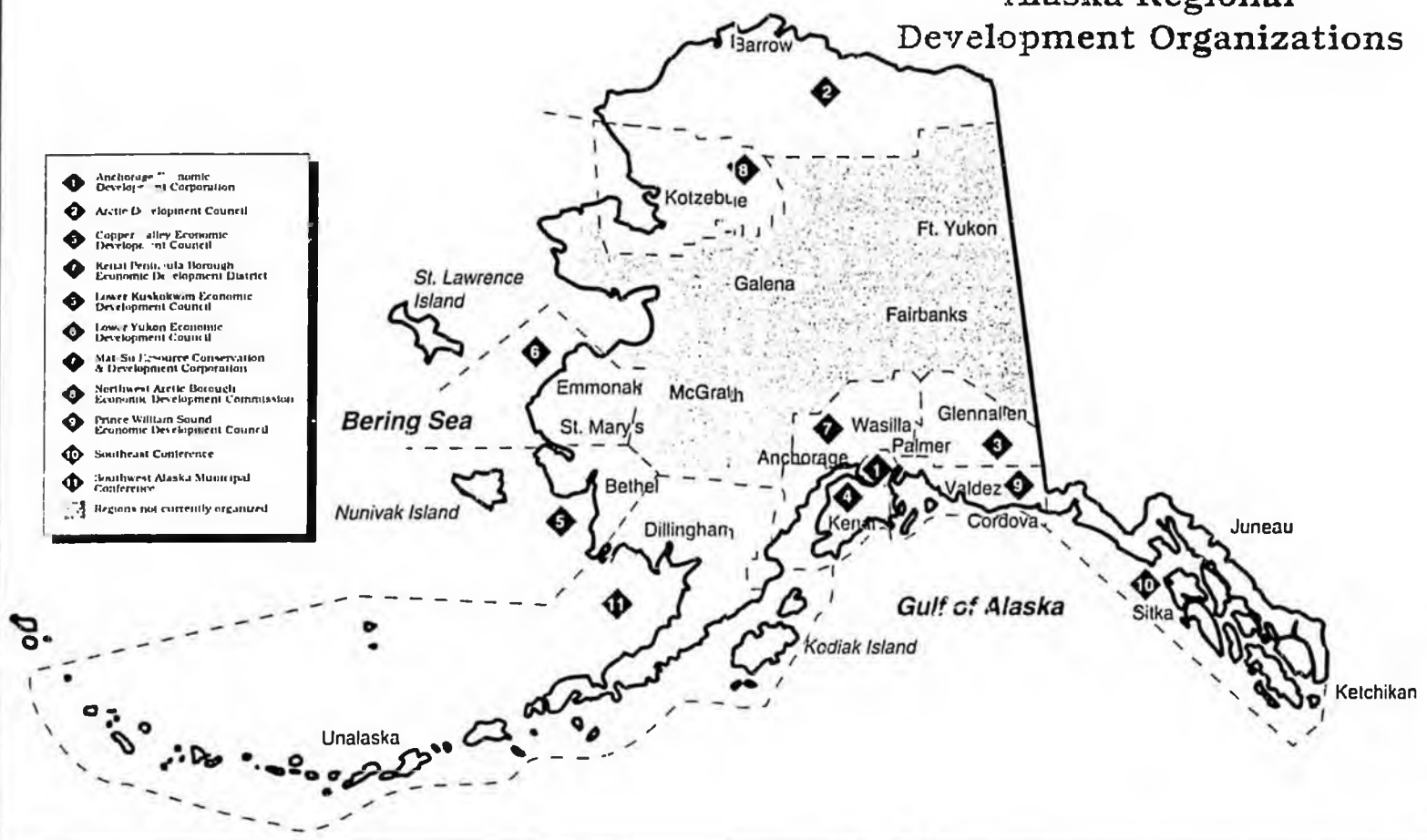
- 1 Anchorage Economic Development Corporation
- 2 Arctic Development Council
- 3 Copper Valley Economic Development Council
- 4 Kenai Peninsula Borough Economic Development District
- 5 Lower Kuskokwim Economic Development Council
- 6 Lower Yukon Economic Development Council
- 7 Mat-Su Resource Conservation & Development Corporation
- 8 Northwest Arctic Borough Economic Development Commission
- 9 Prince William Sound Economic Development Council
- 10 Southeast Conference
- 11 Southwest Alaska Municipal Conference

 Regions not currently organized



# Alaska Regional Development Organizations

- 1 Anchorage Economic Development Corporation
- 2 Arctic Development Council
- 3 Copper Valley Economic Development Council
- 4 Ketchikan Peninsula Borough Economic Development District
- 5 Lower Kuskokwim Economic Development Council
- 6 Lower Yukon Economic Development Council
- 7 Mat-Su Resource Conservation & Development Corporation
- 8 Northwest Arctic Borough Economic Development Commission
- 9 Prince William Sound Economic Development Council
- 10 Southeast Conference
- 11 Southwest Alaska Municipal Conference
- 12 Regions not currently organized



# Alaska Regional Development Organizations





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## Lower Kuskokwim Economic Development Council

Carl Berger, Executive Director

**"Starting a new business is like caring for a baby. The baby is helpless and you must do whatever has to be done to meet its needs and keep it healthy so it will grow and prosper."**

*Alexie Jimmie, LKEDC  
Director*

The Lower Kuskokwim Economic Development Council (LKEDC) is a nonprofit 501c(3) corporation designed as a partnership of the private and public sectors of the Lower Kuskokwim region, with broad representation from the sixteen-member board of directors.

The mission of the Lower Kuskokwim Economic Development Council is to promote regional economic development activities in Bethel and the surrounding Lower Kuskokwim villages, including local planning and assistance in securing funding for small business activities and the preparation of grant proposals to fund village economic development and infrastructure needs.

Currently, the council is involved in the following activities:

- Valued-added fish processing and production in the region, to supply schools and local institutions with salmon nuggets and other fish products and to create local employment.
- Establishing a joint venture with a boat-building company from outside the region to produce boats locally for village use and to create local employment.
- Establishing tourism-related businesses in selected villages in the region. Developing accommodations, services and infrastructure in all area villages to meet the needs of the traveling public.
- Forming a partnership with the Bethel Chamber of Commerce to carry out their activities and promote participation in the Chamber by businesses from throughout the region.
- Developing a locally-based, value-added fur production industry in area villages.
- Providing capacity building to village organizations for the establishment and growth of local small businesses.
- Assisting the fish processing facility in Quinhagak to become operational.
- Utilizing the Mekoryuk reindeer processing facility for processing of halibut and other fish species.

**Board of Directors:** Andrew Guy, Chairman

- |                       |                  |                   |
|-----------------------|------------------|-------------------|
| • Max Angellan        | • Alexie Jimmie  | • Myron Naneng    |
| • Sam George          | • Harold Jones   | • Robert Nick     |
| • Rep. Richard Foster | • Gary Korlhuis  | • Fred Phillip    |
| • Sen. Lyman Hoffman  | • Jackson Lomack | • Carolyn Walters |
| • Rep. Ivan M. Ivan   | • Ted Moses      |                   |



## Lower Yukon Economic Development Council

Susan Anderson, Executive Director

The Lower Yukon Economic Development Council (LYEDC) is a private, nonprofit corporation whose board of directors represent the ten villages and the major businesses in the region. The strength of both LYEDC and its initiatives lies in its board of directors.

LYEDC's board is made up of community and business leaders whose goals reflect those of the region's residents. It is key to ensuring that the organization skillfully serves the region and its people. The board has begun the process of updating LYEDC's Regional Development Strategy. This plan identifies long-range goals which LYEDC will play a role in achieving which include expanding business opportunities and increasing value added production in the region.

Since its formation, the Lower Yukon Economic Development Council has worked to enhance the economic well-being of the region by first encouraging a "can-do" spirit among its residents. With this spirit in place, the LYEDC has been able to help identify economic opportunities and assist local residents in the development and realization of their goals. LYEDC achieves this by facilitating the inflow of information and new ideas to the region as well as by raising the awareness of state and federal agencies of the conditions and opportunities on the Lower Yukon.

Much of this effort has resulted in productive partnerships with other economic development organizations which bring increased project funding and services to local residents. These partnerships include:

- **CDQ - ARDOR Business Assistance Partnership Agreement**  
The ARDOR is providing technical assistance to fishermen and fisheries related businesses in the CDQ villages. In addition, the ARDOR will train local CDQ representatives to provide these services in the future.
- **RECD AmeriCorps - ARDOR Community Development Project**  
The USDA Rural Economic and Community Development Service awarded LYEDC seven AmeriCorps slots to provide community organizing and development services within the region. This partnership has the added benefit of training local people in the concepts and practice of community and economic development.
- **IRS - ARDOR Tax Payer Education in the Schools Program**  
The IRS, in partnership with LYEDC and the Lower Yukon school districts, is offering tax preparation classes in each of the region's schools. These classes will not only aid the students as they grow older, but also allow them to charge for tax preparation services in the villages, both providing a valuable service and producing income for savings or investment.
- **RECD - ARDOR Leading Communities Project**  
In May, RECD proposed a cooperative project whereby government agencies and ARDORs work together through a community liaison to concentrate economic development resources on that community. This project has so far led to the development of projects in housing and the environment.

### Board of Directors: Larry Lujan, President

- Edward Adams
- Bill Alstrom
- Nick Andrew
- Andrew Brown, Sr.
- Joe Evan
- Bay Johnson
- Andrew Kelly, Sr.
- Dan Kirby
- Alvin Owletuck, Sr.
- George Owletuck
- Laura Perez
- Paul Phillip
- Anthony Ulak
- Caroline Ulak

**"LYEDC has done an excellent job of pulling economic development resources to the Lower Yukon. We are lucky to have an office in Anchorage which can hear our concerns and promote the well being of this region."**

*Scott Wagner, Alakanuk*



## Mat-Su Resource Conservation and Development, Inc.

Douglas Smith, Executive Director

**"Our challenge is to identify opportunities to achieve a consensus that will result in solid accomplishments. Our success will be measured by the improvements in our quality of life."**

*Ted Smith, President,  
Mat-Su RC&D*

Mat-Su Resource Conservation & Development, Inc. (Mat-Su RC&D) represents a partnership of the Natural Resource Conservation Service (NRCS) and the ARDOR program. This alliance pools our limited financial resources and allows concentration on the goals of development.

The Matanuska Susitna Borough faces many challenges in the creation of a solid economic base. Nearly 40 percent of our residents work outside the borough; perhaps due to high unemployment rates and lower wages in the Mat-Su. Yet, our population has increased at three times Alaska's average rate over the past 13 years. To meet these demands Mat-Su RC&D is working with the borough in several areas including promotion of infrastructure, recreation and tourism facilities and the wise use of our natural resources.

Projects underway or completed in this past year include the following:

**Marketing Port MacKenzie:** Created and distributed a Port Prospectus targeting industrial companies looking for expansion or relocation. This is a regional economic development project with potential to provide direct access to the resources of Alaska's interior.

**Hatcher Pass Task Force:** Formed a task force to deal with obstacles in development of a local ski facility. Mat-Su RC&D made recommendations to the Mat-Su Borough, presentations to local Chambers of Commerce, and helped to move the community toward consensus.

**Constructed Wetlands:** Mat-Su RC&D is working with a citizen-based effort to build a playground in Wasilla. The playground will be designed and built by the community and financed through private donations.

Other projects include assistance to Alaska Glacier Valley Grains, the Center for Appropriate Technology, Alaska Bed & Breakfast Association, Knik Glacier Access Project, Big Lake Hatchery, and a Timber Bridge demonstration project.

Mat-Su RC&D is made up a diverse board of directors which provides the depth of knowledge and experience needed to respond to the many issues confronting our region.

### **Board of Directors:** Ted Smith, President

- Freeda Adams
- Dan Deedy
- Steve Levine
- Darcie Salmon
- Cindy Bettine
- Rose Marie DePriest
- Carol Meyer
- Calvin Steele
- Shane Bignell
- John Eder
- Doug Mills
- Dick Zobell
- John Bogue
- Clarence Furbush
- Rose Palmquist
- Jim Carter
- Henry Guinotte
- Jackson Parry

## **Northwest Arctic Borough Economic Development Commission**

**Jeffery Hadley, Executive Director**

The Northwest Arctic Borough Economic Development Commission's updated and adopted Overall Economic Development Plan opened the way for federal assistance programs to help fund local projects. That this document reaffirmed projects identified in an earlier application, which resulted in the award of Champion Community status, had some pleasant consequences. The Kiana Traditional Council received USDA funding for an arts and crafts facility and the Buckland IRA Council was awarded funds by the Administration for Native Americans to begin production and sale of Native food products, including smoked meats and berry preserves.

A video, promoting tourism visitation to the region, has been completed with the support of more than \$60,000 in services contributed by local businesses. Soon, the NABEDC will have the capability to produce compact disks from videos and will consider producing a CD for computer use, not only for distribution to travel agents but also for sale over the Internet.

The Kiana Rapid Response System for village fire fighting has been set up and packaged for export to other communities. This system is sold as a package, which includes hardware and training of the community volunteer fire department for quick response to fires. Arctic Novelties Manufacturing in Kotzebue received an RDA mini-grant for production equipment for Arctic Igloo kits. Kiana is now making a small amount of profit on its tourism trade, which is still in the test marketing stage. Buckland IRA and an anthropologist will be collaborating on producing a compact disk for educating school children about beluga whale hunting. A commercial CD on the same topic is also under consideration for sale over the Internet.

Currently, the only local access to the Internet is through an AlaskaNET switch in Kotzebue and its access is limited to Prodigy. Working with the local telephone cooperative, it appears better access will be available in the near future. The village schools now have an 800 dial up e-mail and bulletin board service available to them, which was secured the NABEDC.

NW\_Arctic\_Borough@prodigy.com is the address to use to contact the NABEDC via e-mail. A web page will be available before June 1996.

**Alaska's real future lies in its ARDORs. When the oil is gone, Alaska will look to its grass roots organizations for the help it needs to continue economic growth."**

*John Downes, CVEDC  
Director*

**Board of Directors:** Charlie Curtis, Chairman

- Joe Ballot
- Reggie Cleveland
- Donald Dorsey
- Chuck Greene
- Frank Greene
- Ralph Hargraves
- Jason Jessup
- Alex Navarro
- Doug Neal
- Brad Reeves
- Randy Swenson



## Prince William Sound Economic Development Council

Paul Roetman, Executive Director

**"PWSEDC continues to be instrumental in opening the door to the region's economic development opportunities by assisting private and public sector cooperation that capitalizes on that opportunity. Simply put, they make things happen in Prince William Sound."**

*Mark Stahl, Manager,  
Lands & Resources  
Department  
Chugach Alaska  
Corporation*

PWSEDC's primary mission is to serve as a forum for the discussion of regional economic issues and to foster economic growth and job creation through strategic planning and infrastructure development. PWSEDC has had an exceptional year in planning, securing funding and coordinating development projects throughout the region's five communities. Following are highlights of PWSEDC's proactive stance and development activities.

- **Growing Regional Presence** - From a staff of one in 1993, PWSEDC has grown to a staffing level of four, including a regional office in Valdez and a satellite office in Cordova. This growth is a direct result of increased project-related work and contracts.
- **Diversified Revenue Base** - PWSEDC has achieved an unprecedented level of funding for FY 96, with a current operational and project budget over \$1.5 million.
- **In August 1995, the Department of Natural Resources contracted with PWSEDC for \$1.35 million to manage four marine park projects.** These include creation of trails and restroom facilities at Dock Point Beach in Valdez and improvements to the Allison Point sport fishing area near Valdez, the Fleming Spit sport fishing area in Cordova and a one-and-a-half mile hiking trail to Iktua Bay from Chenega Village.
- **PWSEDC is nearing completion of a 16-month, \$310,000 Sound Waste Management Plan.** Developed by the region's communities, the plan resulted in a number of long-term, cost-effective recommendations. Two now being pursued by PWSEDC include a \$1 million Environmental Operation Station proposal to be submitted to the Exxon Valdez Oil Spill Trustee Council for funding and a \$400,000 appropriation for development of a new land fill site for the City of Cordova.
- **With the recent additions to staff, PWSEDC has the capacity to undertake local planning efforts through contracts with the communities in the region.** Planning scheduled for this year include an Economic Development Strategy (\$11,500) for the community of Cordova, an Overall Economic Development Plan (\$7,200) for the village of Tatitlek and the completion of a Boat Harbor Comparative Analysis (\$10,500) and Overall Economic Development Plan (\$13,500) for the City of Valdez.
- **Other projects to be undertaken this year include:** 1) A \$1.1 million proposal for the Valdez Duck Flats Viewing Area Project for construction of a series of boardwalks to accommodate the growing number of visitors. 2) Several grant applications in support of development projects including a \$100,000 CDBG for the City of Cordova, a \$65,000 CDBG for the City of Valdez, and two grant proposals totaling \$80,000 for the Village of Chenega Bay.

### **Board of Directors:** Jackie Robb, President

- Scott Clark
- Dave Cobb
- R. C. Collin
- Dave Dengel
- Jeff Fulton
- Clayton Huriess
- Scott Janke
- Mark Johnson
- Gary Kompkoff
- Brian Lettich
- Randy Maag
- JoAnn McDowell
- Chris Overbeck
- Mark Stahl
- Chuck Totemoff
- Tom Van Brocklin



## Southeast Conference

Berne Miller, Executive Director

For Southeast Conference, 1995 was a year of transition and growth. A complete staff turnover in February brought new ideas and new energy to Conference endeavors. Key were increased emphasis on regional economic development and a new focus on locally-initiated community development. By year's end, the result was a renewed commitment to improving economic, social, and environmental conditions throughout southeast Alaska and first steps toward increasing the Conference's capacity to make things happen for the region's people and communities.

As in the past, during 1995 Southeast Conference gave first attention to the lifeblood of the region's economic and social well-being, the Alaska Marine Highway System. The Conference's Transportation Committee continued its traditional work with Department of Transportation leaders on system operations and maintenance, scheduling, and expansion, and worked with several independent developers who propose undertaking projects to add capacity to the system. The Conference's newly-named Environment Committee settled into its recently-expanded role as it continued working with state agencies to help craft regulations that accomplish the intended purpose, at a cost our small rural communities can afford. And, of course, the Conference's successful region-wide Household Hazardous Waste Collection Program continued.

As an ARDOR, Southeast Conference put clear focus on creating jobs in the private sector, protecting private-sector jobs that currently exist, and working to resurrect jobs that have disappeared unnecessarily in the past. Drawing on a grant provided by several of its private-sector members, the Conference undertook active participation in the Tongass National Forest Land Management Plan revision process. The Conference's objective is to ensure that Forest Service decisions cause no avoidable adverse economic or social consequences for the people and communities of southeast Alaska and, if possible, reverse the unintended economic contraction that followed passage of the Tongass Timber Reform Act in 1990.

Early in the year, Southeast Conference was designated the Resource Conservation and Development Council for southeast Alaska. In this role, the Conference takes on the mission of accelerating utilization and conservation of the region's natural resources. The Conference will execute this new mission by finding groups of citizens who want to make things happen in their local communities, then helping them initiate and complete projects they decide are needed close to home. New resources that come with RC&D designation should be in place by mid-1996.

Finally, in the years ahead, Southeast Conference intends to find ways to deliver services the region's people and communities need but which federal and state governments can no longer provide as budget reductions and program down-sizing continue. While communities, regions, and the entire state face significant challenges in the future, Southeast Conference remains convinced that working public/private partnerships represent one of the most effective approaches to solving regional problems and meeting regional needs.

**Board of Directors:** J. Allan MacKinnon, President

- Forrest DeWitt
- Rosemary Hagevig
- Marieke Nordlinger
- Bobbie Permenter
- Dick Smith
- Linda Snow
- David Stone
- Ginny Tierney
- John Tronrud
- Bob Ward

**"The advice and facilitation Southeast Conference provided during our recent renewal effort was a significant factor in our citizens bringing that endeavor to a successful conclusion."**

*Sioux Plummer, Mayor,  
City of Skagway*



## Southwest Alaska Municipal Conference

Mary Stadum, Executive Director

**"Our work is never done at SWAMC, as we map out directions for how to achieve economic development goals. Some may never be reached, but that's ok for what we accomplish along the way helps in ways that cannot be measured."**

*Carvel Zimin, Jr.,  
SWAMC, Director*

The Southwest Alaska Municipal Conference (SWAMC), with over one hundred and twenty-five public and private sector members, advances the region's collective interests and helps promote economic development opportunities to improve the quality of life and influence long-term, responsible development. Recent accomplishments include:

- **PLANNING** - SWAMC publishes an annual update to the Overall Economic Development Plan for southwest Alaska, including an overview of the area and its economy, identification of economic issues, and highlighting significant accomplishments in the region. SWAMC provides planning assistance to members and support for local development initiatives.
- **INFORMATION EXCHANGE** - SWAMC publishes a bimonthly newsletter featuring articles on events and issues affecting southwest Alaska. Highlights include community and member activities, SWAMC resolutions, local and national economic development information, grant sources, seafood marketing information, training opportunities, and an events calendar.
- **CONFERENCES** - Two annual conferences are held each year, each attracting over 100 participants. They focus on economic development and municipal issues including fisheries, tourism, transportation, environmental clean up, and small business development. Conferences offer members an opportunity to network with each other, with elected officials, and policy makers.
- **RESOLUTIONS** - SWAMC members develop resolutions that are distributed to policy makers expressing the collective views of Southwest residents on state and federal issues important to the region. Seventeen resolutions on fisheries, tourism, transportation, energy, education, and economic development were passed and distributed by SWAMC membership in 1995.
- **MARKETING** - SWAMC attends trade and travel shows, develops publications and surveys, and places advertising to market the region and its resources. Last year, SWAMC responded to over 3,000 visitor inquiries and referred follow-up inquiries to SWAMC tourism industry members.
- **SMALL BUSINESS TRAINING AND DEVELOPMENT** - SWAMC provided assistance and training to over one hundred individuals and businesses during the past year, including training in marketing, packaging tours, sales tracking, desktop publishing, and customer services.
- **FISHERIES MANAGEMENT** - SWAMC has lobbied successfully at the state and federal level for legislation and policies beneficial to commercial fishing and resource preservation, including support for CDQs and inshore/offshore allocations, reauthorization of the Magnuson Act, and increases in the Department of Fish and Game budget for southwest Alaska.
- **TRANSPORTATION** - SWAMC successfully lobbied Alaska's national and state legislators for an ocean-going ferry vessel, increased Alaska Marine Highway service to the Aleutian Chain, and is working for expanded marine and air transportation to and within southwest Alaska.

### **Board of Directors:** Alice Ruby, President

- Glen Alsworth
- Jim Brenner
- Steve Hakala
- Frank Kelly
- Stephanie Madsen
- Jack McFarland
- Kara Sandvik
- Jerome Selby
- Jim Stevens
- Wayne Stevens
- Carvel Zimin

# FY 96 Alaska Regional Development Organization Funding Sources to Date - March 1996

	Anchorage Economic Development Corporation	Arctic Development Council	Copper Valley Economic Development Council	Kenai Peninsula Borough Economic Development District	Lower Kuskokwim Economic Development Council	Lower Yukon Economic Development Council	Mat-Su Resource Conservation and Development, Inc.	Northwest Arctic Borough Economic Development Commission	Prince William Sound Economic Development Council	Southeast Conference	Southwest Alaska Municipal Conference	Funding Source Totals
<b>Federal Funds</b>												
Commerce - EDA				108.9							65.0	173.9
Agriculture - USFS				17.6								17.6
Agriculture - RUS			487.0									487.0
Agriculture - NRCS				12.8	7.0	10.0	136.4			15.1		181.3
Agriculture - RECD					2.5	97.3						99.8
Other		18.0				21.7		15.0				54.7
<b>State Funds</b>												
DCED - ARDOR	55.0	55.0	55.0	55.0	55.0	55.0	55.0	55.0	55.0	55.0	55.0	605.0
DCED - Other				12.9							5.5	18.4
DCRA			60.0									60.0
H&HS				37.9								37.9
Local Government	370.0						10.0	155.7				535.7
Membership Fees							.8		35.2	48.5	40.0	124.5
Local Communities			150.0	50.0		2.0	3.0					205.0
Private Sector	300.0	33.0	.4		3.5		2.0				9.0	347.9
Fees for Services	255.0	868.0		470.4	7.2	83.0			1,489.6		4.5	3,177.7
Private Sector Grants				27.5						40.0	2.5	70.0
In-Kind Contributions	100.0				5.0			60.0			9.0	174.2
Interest Income	10.0			23.0	1.1	1.2				2.0	1.2	38.9
Other	2.0			93.5	4.0				5.5	22.5	48.0	175.5
<b>BUDGET TOTALS</b>	<b>1,092.0</b>	<b>974.0</b>	<b>753.0</b>	<b>909.5</b>	<b>85.3</b>	<b>270.2</b>	<b>207.2</b>	<b>285.7</b>	<b>1,585.3</b>	<b>183.1</b>	<b>239.7</b>	<b>6,585.2</b>

# HOUSE COMMITTEE REPORT

(11)

Date Referred to Committee: February 5, 1997

FURTHER REFERRALS:

Date of Committee Action: 2/18/97

The FINANCE Committee considered:

HB 35

HOUSE BILL NO. 35

EXTEND REG. ECONOMIC ASST PROGRAM

"An Act extending the termination date of the Alaska regional economic assistance program; and providing for an effective date."

recommends it be replaced with the following committee substitute \_\_\_\_\_  the same title  a new title

additional referral to \_\_\_\_\_ Committee  
 attached amendment(s)

ADOPTS: \_\_\_\_\_ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept) \_\_\_\_\_

APPROVES PREVIOUS: (Dept/Date) \_\_\_\_\_

fiscal note(s) \_\_\_\_\_

fiscal note(s) DCRA, 2/5/97

zero fiscal note(s) \_\_\_\_\_

zero fiscal note(s) \_\_\_\_\_

SIGNING WITH RECOMMENDATIONS		DP	DNP	NR	AM
<i>Gene Theriault</i>	Theriault			X	
<i>Mark Hanley</i>	Hanley				X
<i>Colon Mulder</i>	Mulder	X			
<i>Terry Martin</i>	Martin				X
<i>Vic Kohring</i>	Kohring			X	
<i>Col Davis</i>	DAVIS			X	
<i>Ben Grussendorf</i>	Grussendorf	X			
<i>Ernest Davis</i>	DAVIS			X	
<i>Kelly Foster</i>	Kelly Foster	X			
<i>Richard [unclear]</i>	[unclear]	X			

CHAIR'S SIGNATURE *Gene Theriault* *Mark Hanley*

# FISCAL NOTE

Revision Date: \_\_\_\_\_ Dept. Affected: Community & Regional Affairs  
 Title: Act extending the termination date of BRU: Community and Economic Development  
the Alaska regional economic assistance ... Component Community and Economic Development  
 Sponsor: Rep. Austerman  
 Requestor: House C&RA COMPONENT SERIAL NO. 2151

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 98	FY 99	FY 00	FY 01	FY 03	FY 04
PERSONAL SERVICES	46.4	46.4	46.4	0.0	0.0	0.0
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	620.0	620.0	620.0	0.0	0.0	0.0
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>666.4</b>	<b>666.4</b>	<b>666.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>CAPITAL</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>

REVENUE FUND SOURCE:						
----------------------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other (I/A)	666.4	666.4	666.4	0.0	0.0	0.0
<b>TOTAL</b>	<b>666.4</b>	<b>666.4</b>	<b>666.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

POSITIONS:

FULL-TIME	0.0	0.0	0.0	0.0	0.0	0.0
PART-TIME	1.0	1.0	1.0	0.0	0.0	0.0
TEMPORARY						

Estimate of current (FY97) impact \$ none

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

This bill continues the Alaska Regional Development Organization (ARDOR) program for three more years (FY 98 -00). Interagency receipts from the Alaska Industrial Development and Export Authority will fund the program in FY98 and until the ARDOR program sunsets as provided in the bill. There are 12 ARDORs covering most regions of the State. The Amounts above are presented for information purposes only - they reflect amounts requested in the FY 98 Governor's budget request.

Prepared by: Remond Henderson, Director *Remond Henderson* Phone: 465-4708  
 Division: Division of Administrative Services Date: 1/30/97  
 Approved by Commissioner: *Michael Durbin* Date: 1/30/97  
 Agency: Community & Regional Affairs

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## **REPRESENTATIVE ALAN AUSTERMAN** Alaska State Legislature

P.O. Box 2268, Kodiak, Alaska 99615 (907) 486-5930 • Session: State Capitol, Juneau, Alaska 99801 465-2257

### **SPONSOR STATEMENT - HB 35**

In 1988 the Alaska Regional Development Organizations program was created in statute. Commonly referred to as ARDOR's, they are private, nonprofit corporations formed by local initiative to promote private sector economic development within their designated regions.

The statutory authority for the program, previously AS 44.33.026, is now found in AS 44.47.900. The program was transferred by Executive Order 93, from the Department of Commerce and Economic Development to the Department of Community & Regional Affairs and is under the administrative oversight of the Division of Municipal & Regional Assistance.

The ARDOR program has led to the formation of 11 regional development organizations such as the Southwest Alaska Municipal Conference, the Southeast Conference, the Lower Kuskokwim Economic Development Council and the Anchorage Economic Development Corporation. Nearly two hundred representatives of local political, social and economic interests, who serve on ARDOR boards of directors, are working together to lead their regions to greater economic self-sufficiency.

The ARDOR grants, while not particularly large, are not tied to specific projects and so may be used for operating expenses and to leverage dollars from other sources. These are the hardest kind of dollars to find and are, therefore, extremely valuable to the organizations. Millions of additional dollars have been leveraged from federal, private and other funding sources.

ARDOR's are achieving significant success in sustainable development through the establishment of production and marketing cooperatives, improved access to capital, development and marketing of tourism destinations, technical assistance and training for local businesses and entrepreneurs, support to value added production and proactive involvement in locally initiated economic development projects.

Another important benefit afforded ARDOR's by statute is the ability of state agencies to enter into contracts, with them being exempt from a competitive procurement process. This has proven beneficial to ARDOR's, who are able to provide greater local expertise in service delivery or project implementation, and to state agencies who through the ARDOR's, are able to deliver services or projects more efficiently and with less administrative burden.

Sound economic development relies heavily on solid partnerships between the public and private sectors. The ARDOR's were conceived to facilitate this kind of partnering and to bring a regional perspective to the discussion of economic development issues.

The original legislation had a sunset clause that ended the program in 1993, but was extended until the end of fiscal year 1997. I believe it is in the best interest of the State of Alaska to continue the ARDOR program to insure the ongoing economic viability of Alaska's various regions.

## Article 9A. Regional Economic Assistance Program.

### Section

900. Alaska regional economic assistance program

**Effective dates.** — Section 8, E.O. No. 93, makes this article effective July 1, 1996.

**Sec. 44.47.900. Alaska regional economic assistance program.** (a) The department shall

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

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

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

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

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

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

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

(5) assist each organization to

(A) provide services designed to encourage economic development to local communities and businesses;

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

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

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

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

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

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

(e) In this section, "regional development organization" or "organization" means a nonprofit organization or nonprofit corporation formed to encourage economic development within a particular region of the state that includes the entire area of each municipality within that region and that has a board of directors that represents the region's economic, political, and social interests. (E.O. No 93 § 4 (1996))

**Repeal of section.** — Under § 3, ch. 94, SLA 1988, as amended by § 1, ch. 35, SLA 1992 and § 6, E.O. 93, this section is repealed effective July 1, 1997.

**Cross references.** — For transitional provisions relating to the 1996 transfer of responsibility for the

Alaska regional economic assistance program from the Department of Commerce and Economic Development to the Department of Community and Regional Affairs, see § 7, E.O. 93, in the Executive Orders pamphlet.

### Article 10. General Provisions

#### Section

980. Regulations

998. Definitions

**Sec. 44.47.980. Regulations.** The department may adopt regulations in accordance with AS 44.02 (Administrative Procedure Act) to carry out the purposes of this chapter. (§ 2 ch 200 SDA 1972)

**Revisor's notes.** — Formerly AS 44.47.160. Re-numbered in 1980.

**Sec. 44.47.998. Definitions.** In this chapter

- (1) "commissioner" means the commissioner of community and regional affairs;
- (2) "community" means home rule cities and boroughs, cities and boroughs of any class, and unorganized boroughs and villages that are social units;
- (3) "department" means the Department of Community and Regional Affairs;
- (4) "region" means an area larger than a community, or including all or part of more than one community, but sufficiently integrated that it may be treated as a unit for administration of particular services. (§ 2 ch 200 SLA 1972)

**Revisor's notes.** — Formerly AS 44.47.170. Re-numbered in 1980

## Chapter 50. Notaries Public.

#### Section

- 10. Appointment and commission
- 20. Qualifications
- 30. Term of office
- 40. Fees
- 50. Duties
- 70. Presence and identification required
- 80. Seal
- 90. Protest of bill or note
- 100. Return of papers to lieutenant governor
- 110. Application of Administrative Procedure Act to revocation of notary commission

#### Section

- 120. Bond
- 130. Filing oath and bond
- 140. Disposition of bond
- 150. Copy of bond as evidence
- 160. Misconduct or neglect
- 170. State employees as notaries
- 180. Postmasters as notaries
- 190. Savings clause

**Revisor's notes.** — In 1971 "lieutenant governor" was substituted for "secretary of state" in this chapter to conform with the 1970 amendment to the state constitution

**Cross references.** — For provisions governing oaths, acknowledgments and related matters, see AS 09.63.

1/97

# ALASKA REGIONAL DEVELOPMENT ORGANIZATIONS

## **ANCHORAGE ECONOMIC DEVELOPMENT CORPORATION**

Designation Date: April 11, 1989  
Max Lowe, Chairman  
Patricia DeMarco, President  
530 West 7th Avenue, Suite 1400  
Anchorage, AK 99501  
Phone: 258-3700 Fax: 258-6646  
*AEDC @ alaska.net*

## **ARCTIC DEVELOPMENT COUNCIL**

Designation Date: March 1, 1991  
David Baker, President  
Don Schindler, Executive Director  
P.O. Box 1353  
Barrow, AK 99723  
Phone: 552-4146 Fax: 552-2683

## **COPPER VALLEY ECONOMIC DEVELOPMENT COUNCIL**

Designation Date: November 1, 1990  
Carol Neeley, President  
Donna Tollman, Executive Director  
P.O. Box 9  
Glennallen, AK 99588  
Phone: 822-5001 Fax: 822-5009

## **KENAI PENINSULA BOROUGH ECONOMIC DEVELOPMENT DISTRICT**

Designation Date: February 22, 1989  
James Elson, Chairman  
Stan Steadman, Executive Director  
P.O. Box 3029  
Kenai, AK 99611  
Phone: 283-3335 Fax: 283-3913

## **LOWER KUSKOKWIM ECONOMIC DEVELOPMENT COUNCIL**

Designation Date: September 17, 1991  
Andrew Guy, Chairman  
Carl Berger, Executive Director  
P.O. Box 2021  
Bethel, AK 99559  
Phone: 543-5967 Fax: 543-2255

## **LOWER YUKON ECONOMIC DEVELOPMENT COUNCIL**

Designation Date: November 1, 1991  
Larry Lujan, President  
Susan Anderson, Executive Director  
P.O. Box 2021  
Anchorage, AK 99524  
Phone: 271-2424 Fax: 271-3951

## **MAT-SU RESOURCE CONSERVATION AND DEVELOPMENT, INC.**

Designation Date: November 1, 1993  
Ted Smith, President  
Douglas Smith, Executive Director  
351 West Parks Highway, Suite 100  
Wasilla, AK 99654  
Phone: 373-1062 Fax: 373-1064

## **NORTHWEST ARCTIC BOROUGH ECONOMIC DEVELOPMENT COMMISSION**

Designation Date: June 28, 1989  
Charlie Curtis, Chairman  
Jeff Hadley, Executive Director  
P.O. Box 1110  
Kotzebue, AK 99752  
Phone: 442-2500 Fax: 442-2027

## **PRINCE WILLIAM SOUND ECONOMIC DEVELOPMENT COUNCIL**

Designation Date: November 1, 1991  
Jackie Robb, President  
~~Paul Rockman~~, Executive Director  
P.O. Box 2353  
Valdez, AK 99686  
Phone: 835-3775 Fax: 835-5770  
*James Winchester*

## **SOUTHEAST CONFERENCE**

Designation Date: April 14, 1989  
J. Allan MacKinnon, President  
Berne Miller, Executive Director  
124 West Fifth Street  
Juneau, AK 99801  
Phone: 463-3445 Fax: 463-4425

## **SOUTHWEST ALASKA MUNICIPAL CONFERENCE**

Designation Date: April 6, 1989  
Alice Ruby, President  
Mary Stadum, Executive Director  
3300 Arctic Boulevard, Suite 203  
Anchorage, AK 99503  
Phone: 562-7380 Fax: 562-0138



**SOUTHWEST ALASKA**  
MUNICIPAL  
CONFERENCE



3300 Arctic Boulevard, Suite 203  
Anchorage, Alaska 99503  
Phone (907) 562-7380  
Fax (907) 562-0438


**RESOLUTION 97-06**

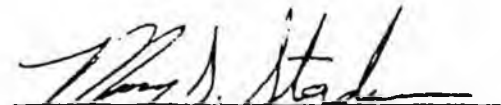
**A RESOLUTION URGING FULL SUPPORT FOR HOUSE BILL 35,  
EXTENDING THE TERMINATION DATE OF THE  
ALASKA REGIONAL ECONOMIC ASSISTANCE PROGRAM**

- WHEREAS,** among the most successful strategies for sustainable economic development are those that support the greatest participation at the local and regional levels; and
- WHEREAS,** the Alaska Regional Development Organizations (ARDORs) were established by state statute for the express purpose of fostering local economic development capacity and implementing locally-conceived economic development strategies; and
- WHEREAS,** since the inception of the ARDOR program, significant achievements have been realized by the ARDORs which lay the foundation for greater local leadership and responsibility for economic development; and
- WHEREAS,** as an ARDOR, the Southwest Alaska Municipal Conference has assisted Southwest communities in (1) stabilizing their economies through supporting fisheries policies, such as the CDQ program, (2) fostering economic development through tourism and small business development and training, (3) supporting and helping to expand the Alaska Marine Highway Service and intra-regional transportation in Southwest Alaska, and (4) helping communities address solid waste management and other environmental issues; and
- WHEREAS,** House Bill 35 will extend the termination date of the ARDOR program from July 1, 1997 until July 1, 2000.

**NOW, THEREFORE BE IT RESOLVED** by the Southwest Alaska Municipal Conference that the Alaska State Legislature is urged to support and pass House Bill 35, extending the termination date of the ARDOR program to July 1, 2000.

**PASSED AND APPROVED BY THE SOUTHWEST ALASKA MUNICIPAL CONFERENCE THIS**  
1st DAY OF FEBRUARY, 1997.

  
\_\_\_\_\_  
Alice J. Ruby, President

  
\_\_\_\_\_  
Mary S. Stadum, Executive Director

**SOUTHWEST ALASKA**  
MUNICIPAL  
CONFERENCE



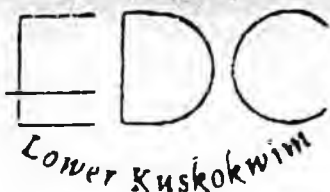
**3300 Arctic Boulevard, Suite 203**  
**Anchorage, Alaska 99503**  
**Phone (907) 562-7380**  
**Fax (907) 562-0438**

**RESOLUTION 96-20**

**A RESOLUTION URGING FULL SUPPORT FOR THE ALASKA REGIONAL DEVELOPMENT ORGANIZATION (ARDOR) PROGRAM**

- WHEREAS,** it is well-recognized by both the public and private sectors that among Alaska's greatest challenges is the expansion and diversification of its undeveloped economy; and
- WHEREAS,** among the most successful strategies for sustainable economic development are those that support the greatest participation at the local and regional levels; and
- WHEREAS,** the Alaska Regional Development Organizations (ARDORs) were established by state statute for the express purpose of fostering local economic development capacity and implementing locally-conceived economic development strategies; and
- WHEREAS,** since the inception of the ARDOR program significant achievements have been realized by the ARDORs which lay the foundation for greater local leadership and responsibility for economic development; and
- WHEREAS,** as an ARDOR, the Southwest Alaska Municipal Conference (SWAMC) provides the structure for a membership organization that speaks with a collective voice on issues important to Southwest Alaska communities; and
- WHEREAS,** SWAMC helps promote economic opportunities to improve the quality of life and influences long-term, responsible development;
- WHEREAS,** SWAMC has assisted Southwest Alaska communities in (1) stabilizing their economies through supporting fisheries policies, such as the CDQ program, (2) fostering economic development through tourism and small business development and training, (3) supporting and helping to expand the Alaska Marine Highway Service and intra-regional transportation in Southwest Alaska, and (4) helping communities address solid waste management and other environmental issues; and
- WHEREAS,** the ARDOR program will sunset July 1, 1997 unless reauthorized by the Legislature.

**NOW, THEREFORE, BE IT RESOLVED** by the Southwest Alaska Municipal Conference that the Knowles Administration and the Alaska State Legislature are urged to fully support legislation authorizing the continuation of, and funding for, the ARDOR program for an additional five years.



FEBRUARY 4, 1997

REP. IVAN M. IVAN  
ALASKA STATE LEGISLATURE  
JUNEAU, ALASKA FAX: 465-4589

DEAR REP. IVAN:

HB 35: ARDOR REAUTHORIZATION  
HEARING, WEDS. FEB 5, 1997

I UNDERSTAND THAT THE HOUSE COMMITTEE ON COMMUNITY & REGIONAL AFFAIRS, WHICH YOU CHAIR, WILL BE HOLDING HEARINGS TOMORROW ON HB 35, WHICH SEEKS TO REAUTHORIZE OUR PROGRAM FOR AN ADDITIONAL THREE YEARS.

I WILL BE IN EER, MAKING A PRESENTATION ON SMALL BUSINESS AT THE HIGH SCHOOL AND WORKING WITH THE TRIBAL ADMINISTRATOR TO FINALIZE A PROPOSAL FOR FUNDING THAT IS DUE NEXT WEEK, SO WILL PROBABLY BE UNABLE TO PARTICIPATE IN YOUR HEARING FROM THERE.

AS THE VICE CHAIRMAN OF THE LOWER KUSKOKWIM ECONOMIC DEVELOPMENT COUNCIL, I'M SURE YOU ARE AWARE OF THE CONTINUING NEED FOR ECONOMIC ASSISTANCE THROUGHOUT OUR REGION. WITHOUT THE ARDORS, THERE WOULD BE LITTLE TO NO LOCAL ASSISTANCE AVAILABLE FOR PEOPLE NEEDING ASSISTANCE TO START A BUSINESS OR EXPAND AN EXISTING ONE, SECURE NEEDED FINANCING, LEARN OF APPLICABLE REGULATIONS, AND THE MANY OTHER SERVICES NOW PROVIDED BY ARDORS.

YOUR SUPPORT IS REQUESTED, TO EXTEND THE OPERATIONS OF ARDORS FOR THE NEXT THREE YEARS, THROUGH FY 2000.

VERY TRULY,

A handwritten signature in cursive script that reads 'Carl Berger'.

CARL BERGER, EXECUTIVE DIRECTOR  
LOWER KUSKOKWIM ECONOMIC DEVELOPMENT COUNCIL

---

Lower Kuskokwim Economic Development Council  
PO Box 2022  
Bethel, AK 99559  
Phone: (907) 543-5967  
FAX: (907) 543-2255

# SOUTHEAST CONFERENCE

An Alaska Regional Development Organization and USDA Resource Conservation and Development Council

February 3, 1997

Representative Albert Kookesh  
State Capital  
Juneau, AK 99801

Dear Representative Kookesh:

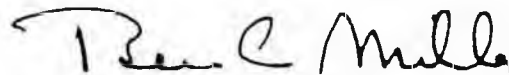
House Bill 35, an Act Extending the Alaska Regional Economic Assistance Program, is scheduled to be heard before the House Community and Regional Affairs Committee this Wednesday. When enacted, the Bill will extend the life of the Alaska Regional Development Program to the end of this century.

Attached you will find a copy of Southeast Conference Resolution 97-6 urging reauthorization of the ARDOR Program. This Resolution was adopted unanimously by Conference members during their Annual Meeting in Juneau last September. For more information about Southeast Conference and its activities as the ARDOR for Southeast Alaska, please see the Conference's *Regional Development Strategy and Area Plan* and *Annual Report for Membership Year 1996* sent you with our last letter.

I regret I will be unable to attend the Committee's hearing. I must be in Ketchikan to join with federal, state and local representatives who are meeting to consider the kind of partnership to put together to aid southern Southeast Alaska's recovery from the recent and impending downturn in the timber industry. Should you have an urgent need for more information, I can be reached through the Cape Fox Hotel.

Thanks you for your interest.

Sincerely,



Berne C. Miller  
Executive Director

Attachment

# SOUTHEAST CONFERENCE

An Alaska Regional Development Organization and USDA Resource Conservation and Development Council

## A RESOLUTION URGING REAUTHORIZATION OF THE ALASKA REGIONAL DEVELOPMENT ORGANIZATION (ARDOR) PROGRAM

(Resolution 97-6)

- WHEREAS** one of the most serious challenges facing Alaskans today is expansion, diversification, and stabilization of the State's economy, and
- WHEREAS** among the most successful approaches to economic expansion, diversification, and stabilization is one that encourages and facilitates a high level of participation at local and community levels, and
- WHEREAS** the Alaska Regional Development Organization (ARDOR) Program was established to create and sustain regional development capacity by fostering effective public-private partnerships to implement locally conceived and executed economic and community development projects, and
- WHEREAS** the ARDOR Program will "sunset" in 1997 unless reauthorized by the Legislature, and
- WHEREAS** ARDORs statewide have laid a solid foundation for greater responsibility and leadership in economic and community development at the regional level, and
- WHEREAS** Southeast Conference has assisted the people and communities of Southeast Alaska by: 1) supporting and helping improve and expand marine and land transportation infrastructure; 2) helping communities address solid waste management, household hazardous waste disposal, and other environmental needs; and 3) helping communities plan and execute development efforts responsive to local needs and priorities.

### NOW THEREFORE BE IT RESOLVED THAT:

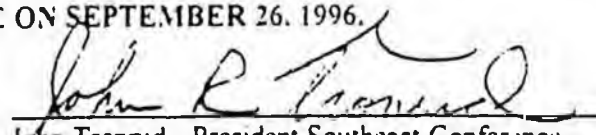
Southeast Conference urges the Administration and Legislature to fully support the ARDOR Program through appropriate administrative policies and appropriation of funds adequate to sustain the ARDORs' mission of building local capacity and developing sustainable economies.

Southeast Conference urges the Administration and Legislature to reauthorize the ARDOR Program during the next legislative session.

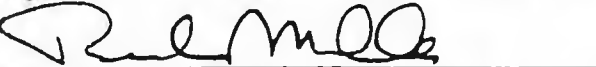
This Resolution be sent to the Governor, the Legislature, the Department of Community and Regional Affairs, the Department Commerce and Economic development, and the Alaska Industrial Development and Export Authority.

ADOPTED BY SOUTHEAST CONFERENCE ON SEPTEMBER 26, 1996.

Witness

  
John Tronrud - President Southeast Conference

Attest

  
Bernice C. Miller - Executive Director

## **ALASKA STATE CHAMBER OF COMMERCE RESOLUTION**

### *SUPPORTING THE CONTINUATION OF THE ALASKA REGIONAL ECONOMIC DEVELOPMENT ORGANIZATION PROGRAM*

WHEREAS, the Alaska state legislature created the Alaska Regional Economic Development Organization (ARDOR) program in 1988; and

WHEREAS, the legislation created a program that encouraged the formation of regional development organizations such as the Southeast Conference, the Southwest Alaska Municipal Conference, and others around the State of Alaska to address the economic problems of those regions; and

WHEREAS, the ARDOR'S are private nonprofit corporations formed by local initiative for the purpose of promoting private sector economic development within their designated regions; and

WHEREAS, the ARDOR'S represent an economically viable unit with shared interests, resources traditions and goals; and

WHEREAS, those ARDOR'S have successfully coordinated private and public resources to support economic development in their regions; and

WHEREAS, they have provided the State with information on regional economic issues, tourism and opportunities for international trade; and

WHEREAS, they have provided assistance in local economic diversification and development efforts during a time of turmoil and troubles in those local regions; and

WHEREAS, the ARDOR'S serve as a liaison between local governments and businesses in the region and the State of Alaska on issues of a common nature; and

WHEREAS, those organizations have been successful in their economic development mission; and

WHEREAS, the original legislation had a sunset clause that ended the program in 1993; and

WHEREAS, that repeal was extended until the end of fiscal year 1997; so

NOW WHEREFORE BE IT RESOLVED BY THE Alaska State Chamber of Commerce that it is in the best interest of the State of Alaska to continue the AKDOR program and to insure the ongoing economic viability of Alaska's various regions; and

FURTHER BE IT RESOLVED BY the Board of Directors of the Alaska State Chamber of Commerce we support this issue as being of statewide importance in the process of adopting our legislative priorities for the 1997 legislative session.

Passed and approved by the Board of Directors of the Alaska State Chamber of Commerce this 6th day of December, 1996.

**DEPARTMENT OF COMMERCE AND  
ECONOMIC DEVELOPMENT**

*DIVISION OF TRADE AND DEVELOPMENT*

**TONY KNOWLES, GOVERNOR**

✓ P O BOX 110804  
JUNEAU, AK 99811-0804  
PHONE (907) 465-2017  
FAX (907) 465-3767  
TTY (907) 465-2137

J 3601 C STREET, SUITE 798  
ANCHORAGE, AK 99503  
PHONE (907) 561-5585  
FAX (907) 562-0048

J 751 OLD RICHARDSON HWY #225  
FAIRBANKS, AK 99701  
PHONE (907) 452-7464  
FAX (907) 456-8173

September 26, 1996

Honorable Alan Austerman  
Alaska House of Representatives  
112 Mill Bay Road  
Kodiak, AK 99615

Attention: Cliff Stone

Dear Mr. Stone:

In response to your inquiry, the ARDOR program does fall under the provisions of a sunset rule that, absent legislative action, will go into effect July 1, 1997. You may also recall that the program was transferred, by executive order, from this department to the Department of Community and Regional Affairs effective July 1, 1996. The statutory authority for the program, previously AS 44.33.026, is now found in AS 44.47.900 and the program is under the administrative oversight of DCRA's Division of Municipal & Regional Assistance.

The ARDORs are private, nonprofit corporations formed by local initiative for the purpose of promoting private sector economic development within their designated regions. Should the sunset provision go into effect, the organizations would not necessarily cease to exist. Several are strong enough, financially and organizationally, that they would continue to operate and carry out their missions independent of state involvement. Others, particularly those serving rural Alaska, would be weakened enough by the withdrawal of state support that they would likely not be able to continue operating. All of them would certainly suffer from the loss of state financial support because the ARDOR grants, while not particularly large, are not tied to specific projects and so may be used for operating expenses and to leverage dollars from other sources. These are the hardest kind of dollars to find and are, therefore, extremely valuable to the organizations.

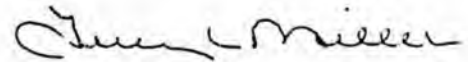
Another important benefit afforded ARDORs by statute is the ability of state agencies to enter into contracts with them exempt from a competitive procurement process. (See AS 36.30.850 (b) (30) enacted in Chapter 68, SLA 93.) This has proven beneficial to both ARDORs, who are able to provide greater local expertise in service delivery or project implementation, and to state agencies, who through the ARDORs, are able to deliver services or projects more efficiently and with less administrative burden. Should the sunset provision go into effect, this ability would be lost unless there is separate legislative action to reenact it.

Perhaps, most important, would be the loss of this important linkage between state government and the regions which facilitates communication, promotes cooperation between communities and other local and regional interests, and encourages local initiative and responsibility for economic development. Particularly as the state embarks on welfare reform, the ARDORs are well placed to take on specific initiatives like designing and implementing regional welfare reform strategies that focus on providing jobs and targeted training for people moving off welfare.

I think most of us have learned by experience that achieving economic development objectives does not take place in a short time frame. Rather, it takes a long-term commitment and the direct involvement of the various stakeholders. It requires the ability to accept that not every effort will succeed; to learn from missteps and move on. And, particularly in Alaska, sound economic development relies heavily on solid partnerships between the public and private sectors. The ARDORs were conceived to facilitate this kind of partnering and to bring a regional perspective to the discussion of economic development issues.

In my opinion, it would be counterproductive to walk away from the state's investment in the ARDORs just as they are realizing the capacity to do the job that was envisioned for them.

Cordially,



Terry Miller  
Project Manager

cc: Tom Lawson, Section Chief  
Ike Waits, DCRA, M&RAD

# SOUTHEAST CONFERENCE

An Alaska Regional Development Organization and USDA Resource Conservation and Development Council

## STATEMENT OF BERNE C. MILLER

February 17, 1997

Good Afternoon Mr. Chairman:

My name is Berne Miller. I am Executive Director of Southeast Conference, the Alaska Regional Development Organization, or ARDOR, for Southeast Alaska. I appreciate the opportunity to appear before you today in support of extending the ARDOR Program.

In describing Southeast Conference to you, I will only say that the Conference is a forty year old non-profit partnership of municipalities, chambers of commerce, businesses, and individuals who come together to work on improving conditions in Southeast Alaska. The Conference's formal Mission is to work for strong economies, healthy communities, and a quality environment in the region.

In economic development terms, the Mission translates into helping to create jobs. I say helping, because government doesn't create jobs, only the private sector creates jobs. Using resources provided by our members and by our state and federal partners, ARDORs such as Southeast Conference "help". ARDOR dollars represent between a quarter and a fifth of the Conference's operating budget....for every dollar provided by the State, Southeast Alaska gets four to five dollars of effort in economic and community development.

Southeast Conference is governed by a Board of Directors elected by the members. We hear much today about individual and organizational responsibility, about relying on oneself rather than relying on government. As with most ARDORs, the Conference's members and Board decide what things Conference committees and staff should work on to help strengthen and improve our communities and our region.

What kinds of things have our members and Board decided are important to the region?

Transportation - we work closely with Marine Highway System management in an effort to ensure that the System serves the entire region well and are working to identify future systems needs as well.

Regulations - we work with state agencies in an effort to help craft regulations that accomplish their intended purpose, but at a cost our municipalities and businesses can afford, most recently in solid waste disposal.

Services - we have for a number of years collected and disposed of household hazardous waste from communities throughout Southeast Alaska and Prince William Sound and are looking at providing similar solid waste management services on a region-wide basis.

Business Development - we support efforts of the region's Small Business Development Center in providing business education and counseling services; we also support creation of a regional revolving loan fund.

Job Creation - we are currently helping the City of Wrangell plan and execute creation of a new museum and cultural center and with the City of Thorne Bay on the feasibility of establishing a kiln drying and planing facility on Prince of Wales Island, possibly as a cooperative. We will undertake other similar kinds of job-generating projects as opportunities present themselves. Also, as a continuing service, we offer our communities economic development planning facilitation and project execution assistance.

Education - we fund scholarships for students at University of Alaska Southeast.

I could continue for a long time in a similar vein, but in the interest of time I won't. I'll simply wrap up by saying that the State's ARDOR Program contributes to these and similar kinds of activities by ARDORs all around the state. The Program relies on local and regional decisionmaking about what's important, encourages formation of regional public-private partnerships to work on what local people decide needs to be worked on, and multiplies State economic and community development dollars to those ends. The Program represents a good investment in Alaska's development and in its future economic and social strength. In a time when the government's ability to meet our people's and community's needs is contracting, the Program is helping to develop private sector capacity to meet those needs. For all these reasons, the program should continue.

On behalf of our members and our Board of Directors, thank you again for the opportunity to appear today. I'll be happy to answer questions.

**HB**

**35**

**SFIN**

**FILE**

# SENATE FINANCE COMMITTEE REPORT

DATE: 3/10/97

REPORTED OUT OF  
FURTHER: SFC 5/01/97

DATE TURNED  
IN TO OFFICE: 5/01/97

Finance Committee considered HOUSE BILL NO. 35

"An Act extending the termination date of the Alaska regional economic assistance program; and providing for an effective date."

and recommends:

- be replaced with \_\_\_\_\_ CS \_\_\_\_\_ (\_\_\_\_\_)
- adopt previous \_\_\_\_\_ CS \_\_\_\_\_ (\_\_\_\_\_)
- attached amendment(s)
- adopt Letter of Intent by \_\_\_\_\_ Committee
- further referral to the \_\_\_\_\_ Committee

- Senate Bill:**
- same title
  - new title
- House Bill:**
- same title
  - technical change
  - new: SCR# \_\_\_\_\_

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>Dee E. Bell</i>	✓	<i>Paul Farrell</i>	✓		
<i>John Ryan</i>		<i>Carolee</i>		✓	
Co-Chair: <i>Peace</i>	✓	Co-Chair: <i>Paul Farrell</i>			
Co-Chair: <i> </i>		Co-Chair: <i> </i>			

**NEW FISCAL NOTE(S):**

Department	Date	Zero	Fiscal
DC & RA / Comm. & Ec. Dev.	5/1/97	Ø	

**PREVIOUS FISCAL NOTE(S):\***

Department	Date	Zero	Fiscal

APPROPRIATION -- no fiscal note

\*include fiscal notes accompanying Governor's bill

Revision Date: \_\_\_\_\_ Dept. Affected: Community & Regional Affairs  
 Title: An Act extending the termination date of BRU: Community & Economic Development  
the Alaska regional economic assistance ... Component: Community & Economic Development  
 Sponsor: Rep. Austerman  
 Requestor: State Finance COMPONENT SERIAL NO. 2151

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
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</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>

REVENUE FUND SOURCE: \_\_\_\_\_

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<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>

POSITIONS:

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

Estimate of current (FY97) impact \$ None

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

This bill continues the Alaska Regional Development Organization (ARDOR) program for three more years (FY98-00). Ineragency receipts in the amount of 666.4 from the Alaska Industrial Development and Export Authority will fund the program in FY98 and until the ARDOR program sunsets as provided in the bill. This amount is requested in the FY98 Governor's budget request. There are 12 ARDORs covering most regions of the State.

Prepared by: Remond Henderson, Director *Remond Henderson* Phone: 465-4708  
 Division: Division of Administrative Services Date: 5/1/97  
 Approved by Commissioner: *Mike Irwin* Date: 5/1/97  
 Agency: Mike Irwin, Dept. of Community & Regional Affairs

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE

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# FISCAL NOTE

Revision Date: \_\_\_\_\_ Dept. Affected: Community & Regional Affairs  
 Title: An Act extending the termination date of BRU: Community and Economic Development  
the Alaska regional economic assistance ... Component Community and Economic Development  
 Sponsor: Rep. Austerman  
 Requestor: House C&RA COMPONENT SERIAL NO. 2151

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 98	FY 99	FY 00	FY 01	FY 03	FY 04
PERSONAL SERVICES	46.4	46.4	46.4	0.0	0.0	0.0
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	620.0	620.0	620.0	0.0	0.0	0.0
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>666.4</b>	<b>666.4</b>	<b>666.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
---------	-----	-----	-----	-----	-----	-----

REVENUE FUND SOURCE:						
----------------------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other (I/A)	666.4	666.4	666.4	0.0	0.0	0.0
<b>TOTAL</b>	<b>666.4</b>	<b>666.4</b>	<b>666.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

POSITIONS:

FULL-TIME	0.0	0.0	0.0	0.0	0.0	0.0
PART-TIME	1.0	1.0	1.0	0.0	0.0	0.0
TEMPORARY						

Estimate of current (FY97) impact \$ none

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

This bill continues the Alaska Regional Development Organization (ARDOR) program for three more years (FY 98 -00). Interagency receipts from the Alaska Industrial Development and Export Authority will fund the program in FY98 and until the ARDOR program sunsets as provided in the bill. There are 12 ARDORs covering most regions of the State. The Amounts above are presented for information purposes only - they reflect amounts requested in the FY 98 Governor's budget request.

Prepared by: Remond Henderson, Director *Remond Henderson* Phone: 465-4708  
 Division: Division of Administrative Services Date: 1/30/97  
 Approved by Commissioner: *Michael Durbin* Date: 1/30/97  
 Agency: Community & Regional Affairs

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## REPRESENTATIVE ALAN AUSTERMAN Alaska State Legislature

P.O. Box 2368, Kodiak, Alaska 99615 (907) 486-5930 • Session: State Capitol, Juneau, Alaska 99801 465-2487

### SPONSOR STATEMENT - HB 35

In 1988 the Alaska Regional Development Organizations program was created in statute. Commonly referred to as ARDOR's, they are private, nonprofit corporations formed by local initiative to promote private sector economic development within their designated regions.

The statutory authority for the program, previously AS 44.33.026, is now found in AS 44.47.900. The program was transferred by Executive Order 93, from the Department of Commerce and Economic Development to the Department of Community & Regional Affairs and is under the administrative oversight of the Division of Municipal & Regional Assistance.

The ARDOR program has led to the formation of 11 regional development organizations such as the Southwest Alaska Municipal Conference, the Southeast Conference, the Lower Kuskokwim Economic Development Council and the Anchorage Economic Development Corporation. Nearly two hundred representatives of local political, social and economic interests, who serve on ARDOR boards of directors, are working together to lead their regions to greater economic self-sufficiency.

The ARDOR grants, while not particularly large, are not tied to specific projects and so may be used for operating expenses and to leverage dollars from other sources. These are the hardest kind of dollars to find and are, therefore, extremely valuable to the organizations. Millions of additional dollars have been leveraged from federal, private and other funding sources.

ARDOR's are achieving significant success in sustainable development through the establishment of production and marketing cooperatives, improved access to capital, development and marketing of tourism destinations, technical assistance and training for local businesses and entrepreneurs, support to value added production and proactive involvement in locally initiated economic development projects.

Another important benefit afforded ARDOR's by statute is the ability of state agencies to enter into contracts, with them being exempt from a competitive procurement process. This has proven beneficial to ARDOR's, who are able to provide greater local expertise in service delivery or project implementation, and to state agencies who through the ARDOR's, are able to deliver services or projects more efficiently and with less administrative burden.

Sound economic development relies heavily on solid partnerships between the public and private sectors. The ARDOR's were conceived to facilitate this kind of partnering and to bring a regional perspective to the discussion of economic development issues.

The original legislation had a sunset clause that ended the program in 1993, but was extended until the end of fiscal year 1997. I believe it is in the best interest of the State of Alaska to continue the ARDOR program to insure the ongoing economic viability of Alaska's various regions.

## Article 9A. Regional Economic Assistance Program.

### Section

900. Alaska regional economic assistance program

---

**Effective dates.** — Section 8, E.O. No. 93, makes this article effective July 1, 1996.

---

**Sec. 44.47.900. Alaska regional economic assistance program.** (a) The department shall

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

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

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

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

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

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

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

(5) assist each organization to

(A) provide services designed to encourage economic development to local communities and businesses;

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

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

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

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

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

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

(e) In this section, "regional development organization" or "organization" means a nonprofit organization or nonprofit corporation formed to encourage economic development within a particular region of the state that includes the entire area of each municipality within that region and that has a board of directors that represents the region's economic, political, and social interests. (E.O. No. 93 § 4 (1996))

**Repeal of section.** — Under § 3, ch. 94, SLA 1988, as amended by § 1, ch. 35, SLA 1992 and § 6, E.O. 93, this section is repealed effective July 1, 1997.

**Cross references.** — For transitional provisions relating to the 1996 transfer of responsibility for the

Alaska regional economic assistance program from the Department of Commerce and Economic Development to the Department of Community and Regional Affairs, see § 7, E.O. 93, in the Executive Orders pamphlet.

### Article 10. General Provisions

Section  
980. Regulations  
998. Definitions

**Sec. 44.47.980. Regulations.** The department may adopt regulations in accordance with AS 44.02 (Administrative Procedure Act) to carry out the purposes of this chapter. (§ 2 ch 200 SLA 1972)

**Revisor's notes.** — Formerly AS 44.47.160. Renumbered in 1980.

**Sec. 44.47.998. Definitions.** In this chapter

- (1) "commissioner" means the commissioner of community and regional affairs;
- (2) "community" means home rule cities and boroughs, cities and boroughs of any class, and unorganized boroughs and villages that are social units;
- (3) "department" means the Department of Community and Regional Affairs;
- (4) "region" means an area larger than a community, or including all or part of more than one community, but sufficiently integrated that it may be treated as a unit for administration of particular services. (§ 2 ch 200 SLA 1972)

**Revisor's notes.** — Formerly AS 44.47.170. Renumbered in 1980.

## Chapter 50. Notaries Public.

Section  
10. Appointment and commission  
20. Qualifications  
30. Term of office  
40. Fees  
50. Duties  
70. Presence and identification required  
80. Seal  
90. Protest of bill or note  
100. Return of papers to lieutenant governor  
110. Application of Administrative Procedure Act to revocation of notary commission

Section  
120. Bond  
130. Filing oath and bond  
140. Disposition of bond  
150. Copy of bond as evidence  
160. Misconduct or neglect  
170. State employees as notaries  
180. Postmasters as notaries  
190. Savings clause

**Revisor's notes.** — In 1971 "lieutenant governor" was substituted for "secretary of state" in this chapter to conform with the 1970 amendment to the state constitution.

**Cross references.** — For provisions governing oaths, acknowledgments and related matters, see AS 09.63.

1/97

## ALASKA REGIONAL DEVELOPMENT ORGANIZATIONS

### ANCHORAGE ECONOMIC DEVELOPMENT CORPORATION

Designation Date: April 11, 1989  
Max Lowe, Chairman  
Patricia DeMarco, President  
550 West 7th Avenue, Suite 1400  
Anchorage, AK 99501  
Phone: 258-3700 Fax: 258-6646  
*AEDC @ alaska.net*

### ARCTIC DEVELOPMENT COUNCIL

Designation Date: March 1, 1991  
David Baker, President  
Don Schindler, Executive Director  
P.O. Box 1353  
Barrow, AK 99723  
Phone: 552-4146 Fax: 552-2683

### COPPER VALLEY ECONOMIC DEVELOPMENT COUNCIL

Designation Date: November 1, 1990  
Carol Neeley, President  
Donna Tollman, Executive Director  
P.O. Box 9  
Glennallen, AK 99588  
Phone: 822-5001 Fax: 822-5009

### KENAI PENINSULA BOROUGH ECONOMIC DEVELOPMENT DISTRICT

Designation Date: February 22, 1989  
James Elson, Chairman  
Stan Steadman, Executive Director  
P.O. Box 3029  
Kenai, AK 99611  
Phone: 283-3335 Fax: 283-3913

### LOWER KUSKOKWIM ECONOMIC DEVELOPMENT COUNCIL

Designation Date: September 17, 1991  
Andrew Guy, Chairman  
Carl Berger, Executive Director  
P.O. Box 2021  
Bethel, AK 99559  
Phone: 543-5967 Fax: 543-2255

### LOWER YUKON ECONOMIC DEVELOPMENT COUNCIL

Designation Date: November 1, 1991  
Larry Lujan, President  
Susan Anderson, Executive Director  
P.O. Box 2021  
Anchorage, AK 99524  
Phone: 271-2424 Fax: 271-3951

### MAT-SU RESOURCE CONSERVATION AND DEVELOPMENT, INC.

Designation Date: November 1, 1993  
Ted Smith, President  
Douglas Smith, Executive Director  
351 West Parks Highway, Suite 100  
Wasilla, AK 99654  
Phone: 373-1062 Fax: 373-1064

### NORTHWEST ARCTIC BOROUGH ECONOMIC DEVELOPMENT COMMISSION

Designation Date: June 28, 1989  
Charlie Curtis, Chairman  
Jeff Hadley, Executive Director  
P.O. Box 1110  
Kotzebue, AK 99752  
Phone: 442-2500 Fax: 442-2027

### PRINCE WILLIAM SOUND ECONOMIC DEVELOPMENT COUNCIL

Designation Date: November 1, 1991  
Jackie Robb, President  
~~Paul Reelman~~, Executive Director  
P.O. Box 2353  
Valdez, AK 99686  
Phone: 835-3775 Fax: 835-5770  
*James Winchester*

### SOUTHEAST CONFERENCE

Designation Date: April 14, 1989  
J. Allan MacKinnon, President  
Berne Miller, Executive Director  
124 West Fifth Street  
Juneau, AK 99801  
Phone: 463-3445 Fax: 463-4425

### SOUTHWEST ALASKA MUNICIPAL CONFERENCE

Designation Date: April 6, 1989  
Alice Ruby, President  
Mary Stadum, Executive Director  
3300 Arctic Boulevard, Suite 203  
Anchorage, AK 99503  
Phone: 562-7380 Fax: 562-0438

# FY 96 Alaska Regional Development Organization Funding Sources to Date - March 1996

- Anchorage Economic Development Corporation
- Arctic Development Council
- Copper Valley Economic Development Council
- Kenai Peninsula Borough Economic Development District
- Lower Kuskokwim Economic Development Council
- Lower Yukon Economic Development Council
- Mat-Su Resource Conservation and Development, Inc.
- Northwest Arctic Borough Economic Development Commission
- Prince William Sound Economic Development Council
- Southeast Conference
- Southwest Alaska Municipal Conference
- Funding Source Totals

Federal Funds																							
Commerce - EDA												108.9	65.0	173.9									
Agriculture - USFS												17.6		17.6									
Agriculture - FUS												487.0		487.0									
Agriculture - NRCS												12.8	7.0	10.0	136.4	15.1	181.3						
Agriculture - BECC												2.5	9.3			99.8							
Other												18.0	21.7	15.0		34.7							
State Funds																							
DCED - ARDOR												55.0	55.0	55.0	55.0	55.0	55.0	605.0					
DCED - Other												12.9						5.5	18.4				
CCRA												60.0							60.0				
H&HS												37.9							37.9				
Local Government												370.0	10.0	155.7					535.7				
Membership Fees													8	35.2	48.5	40.0			124.5				
Local Communities												150.0	50.0	2.0	3.0				205.0				
Private Sector												300.0	33.0	.4	3.5	2.0			347.9				
Fees for Services												255.0	868.0	470.4	7.2	83.0			1,489.6				
Private Sector Grants													27.5						40.0	2.5	70.0		
In-Kind Contributions												100.0	2	5.0					50.0	9.0	174.2		
Interest Income												10.0	.4	23.0	1.1	1.2			2.0	1.2	38.9		
Other												2.0		93.5	4.0				5.5	22.5	48.0	175.5	
<b>BUDGET TOTALS</b>												<b>1,092.0</b>	<b>974.0</b>	<b>753.0</b>	<b>909.5</b>	<b>85.3</b>	<b>270.2</b>	<b>207.2</b>	<b>285.7</b>	<b>1,585.3</b>	<b>183.1</b>	<b>239.7</b>	<b>6,585.0</b>



**KODIAK  
CHAMBER  
OF COMMERCE**

File  
HB 35

A

P.O. Box 1485, Kodiak, Alaska 99615

(907) 486-5557

FAX: (907) 486-7605

February 17, 1997

Honorable Tony Knowles  
Governor  
State of Alaska  
P.O. Box 110001  
Juneau, Alaska 99811-0001

RECEIVED

FEB 21 1997

Ans'd.....

Dear Governor Knowles,

Enclosed please find Kodiak Chamber of Commerce resolution 97-02-01 in support of continuation of the Alaska Regional Development Organizations (ARDOR'S) program. This resolution was passed and approved by the Board of Directors of the Kodiak Chamber of Commerce at its regular Board meeting on January 27, 1997. The Board firmly believes in this cooperative regional economic development model. It has been a successful program in providing an arena where regions can work on issues of common interest.

As a member of the Southwest Alaska Municipal Conference (SWAMC), we have first hand knowledge of the power of regional collaboration and cooperation on issues facing our region. We have participated with SWAMC on a number of projects including support for the Taiwanese delegation that visited southwest Alaska this past summer.

We support the passage of HB 35 which extends the sunset clause on the ARDOR program. The Board of Directors urges you to add your support to the continuation of the ARDOR program and the positive work that has come from the regional ARDOR'S.

Your careful attention and thoughtful consideration of this request for support is genuinely appreciated.

Yours in economic prosperity,

*Tom Merriman*  
Tom Merriman VEC  
Vice President

- cc: Senator Jerry Mackie, Chair, Community and Regional Affairs Committee
- Senator Gary Wilken, Vice Chair, Community and Regional Affairs Committee
- Senator Drue Pearce, Co-Chair, Finance Committee
- Senator Bert Shultz, Co-Chair, Finance Committee
- Representative Alan Austerman
- Representative Ivan Ivan, Chair, Community and Regional Affairs Committee
- Representative Mark Hanley, Co-Chair, Finance Committee
- Representative Gene Therriault, Co-Chair, Finance Committee

Dedicated to Kodiak's Future

**SOUTHWEST ALASKA**  
MUNICIPAL  
CONFERENCE



3300 Arctic Boulevard, Suite 203  
Anchorage, Alaska 99503  
Phone (907) 562-7380  
Fax (907) 562-0438


**RESOLUTION 97-06**

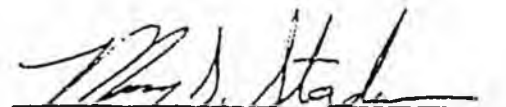
**A RESOLUTION URGING FULL SUPPORT FOR HOUSE BILL 35,  
EXTENDING THE TERMINATION DATE OF THE  
ALASKA REGIONAL ECONOMIC ASSISTANCE PROGRAM**

- WHEREAS,** among the most successful strategies for sustainable economic development are those that support the greatest participation at the local and regional levels; and
- WHEREAS,** the Alaska Regional Development Organizations (ARDORs) were established by state statute for the express purpose of fostering local economic development capacity and implementing locally-conceived economic development strategies; and
- WHEREAS,** since the inception of the ARDOR program, significant achievements have been realized by the ARDORs which lay the foundation for greater local leadership and responsibility for economic development; and
- WHEREAS,** as an ARDOR, the Southwest Alaska Municipal Conference has assisted Southwest communities in (1) stabilizing their economies through supporting fisheries policies, such as the CDQ program, (2) fostering economic development through tourism and small business development and training, (3) supporting and helping to expand the Alaska Marine Highway Service and intra-regional transportation in Southwest Alaska, and (4) helping communities address solid waste management and other environmental issues; and
- WHEREAS,** House Bill 35 will extend the termination date of the ARDOR program from July 1, 1997 until July 1, 2000.

**NOW, THEREFORE BE IT RESOLVED** by the Southwest Alaska Municipal Conference that the Alaska State Legislature is urged to support and pass House Bill 35, extending the termination date of the ARDOR program to July 1, 2000.

**PASSED AND APPROVED BY THE SOUTHWEST ALASKA MUNICIPAL CONFERENCE THIS**  
1st DAY OF FEBRUARY, 1997.

  
\_\_\_\_\_  
Alice J. Ruby, President

  
\_\_\_\_\_  
Mary S. Stadum, Executive Director

**SOUTHWEST ALASKA**  
MUNICIPAL  
CONFERENCE

3300 Arctic Boulevard, Suite 203  
Anchorage, Alaska 99503  
Phone (907) 562-7380  
Fax (907) 562-0438

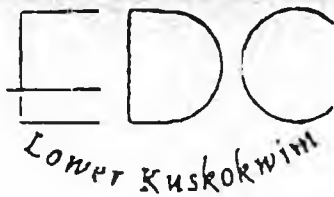
RESOLUTION 96-20

**A RESOLUTION URGING FULL SUPPORT FOR THE ALASKA REGIONAL DEVELOPMENT ORGANIZATION (ARDOR) PROGRAM**

- WHEREAS, it is well-recognized by both the public and private sectors that among Alaska's greatest challenges is the expansion and diversification of its undeveloped economy; and
- WHEREAS, among the most successful strategies for sustainable economic development are those that support the greatest participation at the local and regional levels; and
- WHEREAS, the Alaska Regional Development Organizations (ARDORs) were established by state statute for the express purpose of fostering local economic development capacity and implementing locally-conceived economic development strategies; and
- WHEREAS, since the inception of the ARDOR program significant achievements have been realized by the ARDORs which lay the foundation for greater local leadership and responsibility for economic development; and
- WHEREAS, as an ARDOR, the Southwest Alaska Municipal Conference (SWAMC) provides the structure for a membership organization that speaks with a collective voice on issues important to Southwest Alaska communities; and
- WHEREAS, SWAMC helps promote economic opportunities to improve the quality of life and influences long-term, responsible development;
- WHEREAS, SWAMC has assisted Southwest Alaska communities in (1) stabilizing their economies through supporting fisheries policies, such as the CDQ program, (2) fostering economic development through tourism and small business development and training, (3) supporting and helping to expand the Alaska Marine Highway Service and intra-regional transportation in Southwest Alaska, and (4) helping communities address solid waste management and other environmental issues; and
- WHEREAS, the ARDOR program will sunset July 1, 1997 unless reauthorized by the Legislature.

**NOW, THEREFORE, BE IT RESOLVED** by the Southwest Alaska Municipal Conference that the Knowles Administration and the Alaska State Legislature are urged to fully support legislation authorizing the continuation of, and funding for, the ARDOR program for an additional five years.

**Kodiak Island ♦ Alaska Peninsula ♦ Bristol Bay ♦ Aleutian Chain ♦ Pribilof Islands**



FEBRUARY 4, 1997

REP. IVAN M. IVAN  
ALASKA STATE LEGISLATURE  
JUNEAU, ALASKA FAX: 465-4589

DEAR REP. IVAN:

HB 35: ARDOR REAUTHORIZATION  
HEARING, WEDS. FEB 5, 1997

I UNDERSTAND THAT THE HOUSE COMMITTEE ON COMMUNITY & REGIONAL AFFAIRS, WHICH YOU CHAIR, WILL BE HOLDING HEARINGS TOMORROW ON HB 35, WHICH SEEKS TO REAUTHORIZE OUR PROGRAM FOR AN ADDITIONAL THREE YEARS.

I WILL BE IN EEK, MAKING A PRESENTATION ON SMALL BUSINESS AT THE HIGH SCHOOL AND WORKING WITH THE TRIBAL ADMINISTRATOR TO FINALIZE A PROPOSAL FOR FUNDING THAT IS DUE NEXT WEEK, SO WILL PROBABLY BE UNABLE TO PARTICIPATE IN YOUR HEARING FROM THERE.

AS THE VICE CHAIRMAN OF THE LOWER KUSKOKWIM ECONOMIC DEVELOPMENT COUNCIL, I'M SURE YOU ARE AWARE OF THE CONTINUING NEED FOR ECONOMIC ASSISTANCE THROUGHOUT OUR REGION. WITHOUT THE ARDORS, THERE WOULD BE LITTLE TO NO LOCAL ASSISTANCE AVAILABLE FOR PEOPLE NEEDING ASSISTANCE TO START A BUSINESS OR EXPAND AN EXISTING ONE, SECURE NEEDED FINANCING, LEARN OF APPLICABLE REGULATIONS, AND THE MANY OTHER SERVICES NOW PROVIDED BY ARDORS.

YOUR SUPPORT IS REQUESTED, TO EXTEND THE OPERATIONS OF ARDORS FOR THE NEXT THREE YEARS, THROUGH FY 2000.

VERY TRULY,

A handwritten signature in cursive script that reads 'Carl Berger'.

CARL BERGER, EXECUTIVE DIRECTOR  
LOWER KUSKOKWIM ECONOMIC DEVELOPMENT COUNCIL

---

Lower Kuskokwim Economic Development Council  
PO Box 1021  
Bethel, AK 99559  
Phone: 1907/543-5967  
FAX: 1907/543-2255

# SOUTHEAST CONFERENCE

An Alaska Regional Development Organization and USDA Resource Conservation and Development Council

February 3, 1997

Representative Albert Kookesh  
State Capital  
Juneau, AK 99801

Dear Representative Kookesh:


House Bill 35, an Act Extending the Alaska Regional Economic Assistance Program, is scheduled to be heard before the House Community and Regional Affairs Committee this Wednesday. When enacted, the Bill will extend the life of the Alaska Regional Development Program to the end of this century.

Attached you will find a copy of Southeast Conference Resolution 97-6 urging reauthorization of the ARDOR Program. This Resolution was adopted unanimously by Conference members during their Annual Meeting in Juneau last September. For more information about Southeast Conference and its activities as the ARDOR for Southeast Alaska, please see the Conference's *Regional Development Strategy and Area Plan* and *Annual Report for Membership Year 1996* sent you with our last letter.

I regret I will be unable to attend the Committee's hearing. I must be in Ketchikan to join with federal, state, and local representatives who are meeting to consider the kind of partnership to put together to aid southern Southeast Alaska's recovery from the recent and impending downturn in the timber industry. Should you have an urgent need for more information, I can be reached through the Cape Fox Hotel.

Thanks you for your interest.

Sincerely,



Berne C. Miller  
Executive Director

Attachment

# SOUTHEAST CONFERENCE

An Alaska Regional Development Organization and USDA Resource Conservation and Development Council

## A RESOLUTION URGING REAUTHORIZATION OF THE ALASKA REGIONAL DEVELOPMENT ORGANIZATION (ARDOR) PROGRAM

(Resolution 97-6)

- WHEREAS one of the most serious challenges facing Alaskans today is expansion, diversification, and stabilization of the State's economy, and
- WHEREAS among the most successful approaches to economic expansion, diversification, and stabilization is one that encourages and facilitates a high level of participation at local and community levels, and
- WHEREAS the Alaska Regional Development Organization (ARDOR) Program was established to create and sustain regional development capacity by fostering effective public-private partnerships to implement locally conceived and executed economic and community development projects, and
- WHEREAS the ARDOR Program will "sunset" in 1997 unless reauthorized by the Legislature, and
- WHEREAS ARDORs statewide have laid a solid foundation for greater responsibility and leadership in economic and community development at the regional level, and
- WHEREAS Southeast Conference has assisted the people and communities of Southeast Alaska by: 1) supporting and helping improve and expand marine and land transportation infrastructure; 2) helping communities address solid waste management, household hazardous waste disposal, and other environmental needs; and 3) helping communities plan and execute development efforts responsive to local needs and priorities.

### NOW THEREFORE BE IT RESOLVED THAT,

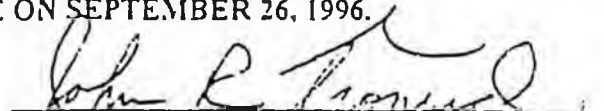
Southeast Conference urges the Administration and Legislature to fully support the ARDOR Program through appropriate administrative policies and appropriation of funds adequate to sustain the ARDORs' mission of building local capacity and developing sustainable economies.

Southeast Conference urges the Administration and Legislature to reauthorize the ARDOR Program during the next legislative session.

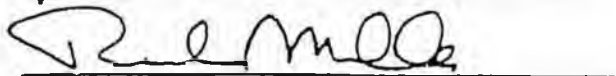
This Resolution be sent to the Governor, the Legislature, the Department of Community and Regional Affairs, the Department Commerce and Economic Development, and the Alaska Industrial Development and Export Authority.

ADOPTED BY SOUTHEAST CONFERENCE ON SEPTEMBER 26, 1996.

Witness:

  
John Tronrud - President Southeast Conference

Attest:

  
Berne C. Miller - Executive Director

## ALASKA STATE CHAMBER OF COMMERCE RESOLUTION

### *SUPPORTING THE CONTINUATION OF THE ALASKA REGIONAL ECONOMIC DEVELOPMENT ORGANIZATION PROGRAM*

WHEREAS, the Alaska state legislature created the Alaska Regional Economic Development Organization (ARDOR) program in 1988; and

WHEREAS, the legislation created a program that encouraged the formation of regional development organizations such as the Southeast Conference, the Southwest Alaska Municipal Conference, and others around the State of Alaska to address the economic problems of those regions; and

WHEREAS, the ARDOR'S are private nonprofit corporations formed by local initiative for the purpose of promoting private sector economic development within their designated regions; and

WHEREAS, the ARDOR'S represent an economically viable unit with shared interests, resources traditions and goals; and

WHEREAS, those ARDOR'S have successfully coordinated private and public resources to support economic development in their regions; and

WHEREAS, they have provided the State with information on regional economic issues, tourism and opportunities for international trade; and

WHEREAS, they have provided assistance in local economic diversification and development efforts during a time of turmoil and troubles in those local regions; and

WHEREAS, the ARDOR'S serve as a liaison between local governments and businesses in the region and the State of Alaska on issues of a common nature; and

WHEREAS, those organizations have been successful in their economic development mission; and

WHEREAS, the original legislation had a sunset clause that ended the program in 1993; and

WHEREAS, that repeal was extended until the end of fiscal year 1997; so

NOW THEREFORE BE IT RESOLVED BY THE Alaska State Chamber of Commerce that it is in the best interest of the State of Alaska to continue the ARDOR program and to insure the ongoing economic viability of Alaska's various regions; and

FURTHER BE IT RESOLVED BY the Board of Directors of the Alaska State Chamber of Commerce we support this issue as being of statewide importance in the process of adopting our legislative priorities for the 1997 legislative session.

Passed and approved by the Board of Directors of the Alaska State Chamber of Commerce this 6th day of December, 1996.



## What is ARDOR?

As we approach the eighth anniversary of the first Alaska Regional Development Organization (ARDOR), there are many accomplishments to point to and many challenges that remain.

Each ARDOR has become the focal point for development activity in its region. Local residents and organizations are looking to ARDORs for economic development services and leadership.

As regional non-profits, ARDORs have the unique ability to forge strong partnerships with the public and private sectors within their regions and collectively throughout the state. These partnerships are now becoming a reality as each ARDOR develops and as opportunities and needs manifest themselves.

ARDORs have successfully leveraged millions of dollars into regions throughout the state for a number of projects and services vital to the strong economic growth of Alaska. The regional strategies developed by each ARDOR lay out a framework for project development and funding.

Each year we face many new challenges in our efforts to grow a sustainable economy. Regional efforts focusing on creative planning, partnerships, and leveraged funding have turned economic opportunities into realities throughout Alaska.

## ARDORS:

- Anchorage Economic Development Corporation
- Arctic Development Council
- Bering Straits ARDOR Programs
- Copper Valley Economic Development Council
- Kenai Peninsula Borough Economic Development District
- Lower Kuskokwim Economic Development Council
- Lower Yukon Economic Development Council
- Mat-Su Resource Conservation and Development, Inc.
- Northwest Arctic Borough Economic Development Commission
- Prince William Sound Economic Development Council
- Southeast Conference
- Southwest Alaska Municipal Conference

**Designation Date: March 1, 1991**  
**David Baker, President**

**Helen Haynes, Executive Director**

### Arctic Development Council

Arctic Development Council with the support of the State of Alaska, North Slope Borough, and private companies, managed a number of economic development programs in 1996. Two stand out as examples of our efforts:

**Village Outreach Program.** ADC Development Specialists visit each of the seven outlying villages monthly, meeting with individuals interested in starting or growing businesses and furthering various Slope-wide programs.

**Business Incubator for New Businesses.** Two of the early tenants, Howlin' Howards Music and Boynton Printing, have graduated from the incubator to larger commercial space in Barrow. The incubator is still full, with two retail shops and two service businesses.

**Designation Date: April 14, 1989**  
**J. Allan McKinnon, President**

**Berne Miller, Executive Director**

### Southeast Conference

Southeast Conference's economic and community development capacity doubled during 1996 with arrival of the USDA Resource Conservation and Development Coordinator. Focusing on Southeast Alaska's smaller communities, the Conference opened a project to help Wrangell plan for and develop a combined museum, cultural center, and visitor center.

It also opened a project to help Thorne Bay complete feasibility and market studies for a kiln drying and planning facility at Tolstoy Bay. Working to retain jobs in the timber industry, the Conference was active in the TLMF revision process, publishing information on the economic impact of TLMF alternatives on Southeast's people and communities. The Conference also worked to bring business development assistance to communities affected by impending closure of the Ketchikan Pulp Company's mill. Finally, the Conference's Residential Household Waste Collection Program was expanded to communities in Prince William Sound in partnership with the PWS ARDOR.



## Training in Session



## Shaping Alaska's Future

**Designation Date: April 11, 1989**

**Max Lowe, Chairman**

**Patricia DeMarco, President**

### Anchorage Economic Development Corporation

The Anchorage Economic Development Council exists to encourage growth and diversity in the Anchorage economy. The AEDC promotes business development by attracting new business, expanding existing business and promoting opportunities for international trade.

Highlights of some of AEDC's major 1996 accomplishments include:

- Establishing the Alaska High Tech Business Council.
  - Producing "Anchorage, Alaska: The New Frontier," a video demonstrating how modern telecommunications allows companies to conduct business from Anchorage.
  - Continuing dialogue with top cargo and third-party logistics prospects and presenting detailed feasibility analyzes to three major companies.
  - Convening the Mayors' Seafood Task Force.
  - Completing the Economic Development Master Plan for Anchorage.
  - Facilitating the organization of the Alaska Resource Alliance (AkRA), a consortium of oilfield service companies.
- The AEDC's 1997 focus is on expanding Anchorage's world class opportunities in the areas of trade and tourism.

**Designation Date: February 22, 1989**

**James Elson, Chairman**

**Aleja DeVito and Sherry Biggs,**

**Co-Executive Directors**

### Kenai Peninsula Borough Economic Development District

As the first ARDOR established in the State, the Kenai Peninsula Borough Economic Development District, Inc. (EDD) has long recognized the importance of small business throughout the region. EDD has established several programs to overcome barriers and offer assistance to business owners, thereby creating and retaining jobs in the local economy.

• EDD offers a Revolving Loan Fund that partners with local banks. To date, EDD has loaned \$363,000 to 14 businesses, with bank participation at \$960,000, and the number of jobs credited to this program at 60.

• EDD operates the Small Business Development Center (SBDC) for the Kenai Peninsula. Since February of 1995, over 260 clients have utilized the free one-on-one business counseling sessions. Workshops and seminars are held throughout the Kenai Peninsula. EDD has assisted 21 clients in successfully creating or

acquiring their own small business.

• EDD's new project for FY98 will be the Business Innovation Center (BIC), a business incubator facility. EDD was awarded a \$1M construction grant from U.S. EDA. EDD expects the BIC to be fully operative by the end of November of 1997. The BIC will provide business development services, intensive oversight, and market rate lease space for new and expanding businesses, increasing the viability of these operations.

**Designation Date: June 28, 1989**

**Charlie Curtis, Chairman**

**Jeff Hadley, Executive Director**

### Northwest Arctic Borough Economic Development Commission

**Designation Date: November 1, 1991**  
**Jackie Robb, President**  
**James Winchester, Executive Director**  
**Prince William Sound**  
**Economic Development Council**

The Prince William Sound Economic Development Council (PWSEDC) encompasses the communities of Chenega Bay, Cordova, Tatitlek, Valdez and Whittier. PWSEDC has three primary areas of activity.

**Small Business Development.** PWSEDC provides ongoing development counseling for both new and established businesses and holds regular small business workshops in the major communities.

**Economic Development Planning.** PWSEDC cooperates with member communities to aid in the development of local economies. Planning is a regular service of PWSEDC and development plans for Tatitlek, Cordova and Valdez were completed in the FY 96/97 time period.

**Infrastructure Development.** PWSEDC has an aggressive infrastructure program geared to job creation. In the FY96/97 time period, PWSEDC has completed or will complete 10 infrastructure projects with budgets from \$50,000 to \$1,500,000. These include recreation areas, trails, derelict vehicle removal, hazardous waste management and subsistence improvements.

In addition to the management of infrastructure projects, PWSEDC provides support for economic development initiatives in all communities of the Sound.



Photo courtesy of Samuel J. Fox Museum

**Designation Date: April 6, 1989**  
**Alice Ruby, President**  
**Mary Stadum, Executive Director**  
**Southwest Alaska**  
**Municipal Conference**

The Southwest Alaska Municipal Conference (SWAMC), with over one hundred thirty public and private sector members, advances the region's collective interests and helps promote economic opportunities to improve the quality of life and influence long-term, responsible development.

SWAMC publishes an annual Overall Economic Development Plan for Southwest Alaska, including an overview of the area and its economy. SWAMC conducts two annual training conferences each year, attracting over 100 participants each. They focus on economic development and municipal issues, and provide information and training on fisheries, tourism, small business development, and transportation. Through SWAMC's resolutions and Legislative policy process, SWAMC members develop positions on critical issues for Southwest Alaska that are distributed to state and federal policy makers.

**Designation Date: November 1, 1991**  
**Larry Lujan, President**  
**Scotti Wagner, Executive Director**  
**Lower Yukon Economic**  
**Development Council**

The Lower Yukon Economic Development Council, led by a local Board of Directors, focuses on business and community development as the means of achieving its mission of helping residents of the region to strive toward economic independence. In 1996 LYEDC, through its partnership with the local CDQ, assisted in securing over \$430,000 in loans to purchase fishing permits and gear. In addition, LYEDC developed training programs, offered locally, in tax preparation, business planning, and bookkeeping. Through partnerships with the Lower Yukon School District they also facilitated arts and crafts classes in a village school. These programs offer local residents the opportunity to take control of their economic destinies.

**Designation Date: September 17, 1991**  
**Andrew Guy, Chairman**  
**Carl Berger, Executive Director**  
**Lower Kuskokwim Economic**  
**Development Council**

The Lower Kuskokwim Economic Development Council is finalizing a plan to supply schools and local institutions such as the Bethel Correctional Center and Youth Facility with locally caught chum salmon for food service use. This will partially replace purchase of foodstuffs from outside the region; and provide local fishermen a higher price for their catch.

LKEDC has assisted in establishing tourism related businesses in several villages in the Region, such as a sportsfishing operation in Quinhagak and two locally operated guiding and fishing businesses in Mckoryuk. They are also working with individuals in Goodnews, Hooper and Toksook Bay on similar ventures.

LKEDC is assisting the Fish & Wildlife Service in developing a plan to utilize national refuge lands for locally based tourism ventures and is co-sponsoring a workshop with them in Bethel. These lands make up 75% of land ownership in the region and their access and use will provide local job opportunities.

LKEDC is working with two villages to help them develop their first local economic development planning document.

**Designation Date: November 1, 1990**  
**Carol Neely, President**  
**Donna Tollman, Executive Director**  
**Copper Valley Economic**  
**Development Council**

Copper Valley Economic Development Council, Inc., the ARDOR for the Eastern Interior of Alaska, was formed in 1990, with an office opening in 1991. The mission is to promote infrastructure that allows economic development to occur in a sound and sustainable manner. Among the projects we have developed are tourism destination between communities, workforce development and a strong small business technical assistance program targeting both existing and new businesses. CVEDC is a private non profit that is also being asked to fill the gaps left by diminishing state resources within our region. The effort is to promote partnerships with state, federal and private resources to meet economic development objectives of the State of Alaska and the Copper River region.

**Designation Date:**  
**November 1, 1993**  
**Ted Smith, President**  
**Douglas Smith, Executive Director**  
**Mat-Su Resource**  
**Conservation**  
**& Development Inc.**

Made up of representatives of some twenty local organizations, Mat-Su RC&D has a common sense approach to development. One goal is to inject private sector principles into government regulations. We support forest management, sale of unreserved government land, legalization of aquacultural and investment in the infrastructure needed to attract industry.

Projects currently underway:

**Hatcher Pass Ski Area:** Strong advocate for resolution of problems with developer including lack of performance and tax delinquency. New management has successfully dealt with those issues.

**Marketing Port MacKenzie:** Marketing agent for Port Commission. Activities include targeted mailings, meetings with potential developers and marketing trip to Tokyo.

**Community Development Work:** Managed accounts for Palmer Children's Playground, Wasilla Wonderland, Wasilla Skateboard Park, Houston Homesteaders and Goldrush Centennial.

**Small Business Assistance:** Conducting feasibility studies for a Birch Dry Kiln operation and a Birch Syrup Processing facility.



**FY97 Grant Funding**

	State Funds	Match Funds		State Funds	Match Funds
Anchorage Economic Development Corporation	\$55,058	\$1,046,942	Mat-Su Resource Conservation and Development, Inc.	\$55,058	\$141,745
Arctic Development Council	55,058	1,259,019	Northwest Arctic Borough Economic Development Commission	55,058	35,000
Copper Valley Economic Development Council	58,058	819,181	Prince William Sound Economic Development Council	55,058	185,289
Kenai Peninsula Borough Economic Development District	55,058	557,410	Southeast Conference	58,058	137,900
Lower Kuskokwim Economic Development Council	55,058	18,353	Southwest Alaska Municipal Conference	58,058	175,932
Lower Yukon Economic Development Council	46,428	31,960			

Sources of match funds include: Fees for service, USDA, local communities, local government, membership fees and private sector contributions. Source: FY97 Grant Agreements

**HB**

**43**

**HFIN**

**FILE**

# HOUSE COMMITTEE REPORT

(11)

Date Referred to Committee: January 13, 1997

FURTHER REFERRALS:

Date of Committee Action: 1/28/97

The FINANCE Committee considered:

HB 43

HOUSE BILL NO. 43

RENTAL MOTOR VEHICLES

“An Act relating to registration of rental motor vehicles, to municipal taxation of rental motor vehicles, and to emission control inspection fees for rental motor vehicles; and providing for an effective date.”

recommends it be replaced with the following committee substitute CE HB 43 (FIN)  the same title  a new title

additional referral to \_\_\_\_\_ Committee  
 attached amendment(s)

ADOPTS: \_\_\_\_\_ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept) \_\_\_\_\_ APPROVES PREVIOUS: (Dept/Date) \_\_\_\_\_  
 fiscal note(s) \_\_\_\_\_  fiscal note(s) \_\_\_\_\_  
 zero fiscal note(s) DPS  zero fiscal note(s) \_\_\_\_\_

SIGNING WITH RECOMMENDATIONS		DP	DNP	NR	AM
	Hanley	X			
	Mulder	X			
	Martin	X			
	Kohring	X			
	J. Davis			X	
	Gussendorf			X	
	Foster	X			
	Kelly	X			
	Therriault			X	
	G. Davis	X			
	Moses			X	

CO-CHAIR'S SIGNATURE    
 Therriault Hanley

**FISCAL NOTE**

**STATE OF ALASKA**  
**1997 LEGISLATIVE SESSION**

**BILL NO: HB 43**

Revision Date: \_\_\_\_\_ Dept. Affected: Public Safety  
 Title: An Act relating to registration and municipal BRU: Motor Vehicles  
tax on rental vehicle. Component: Field Service  
 Sponsor: Representative Mulder  
 Requestor: H, FIN COMPONENT SERIAL NO. 0502

**EXPENDITURES/REVENUES: (Thousands of Dollars) (inflation not included)**

OPERATING	FY 96	FY 97	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	0	0	0	0	0	0

<b>CAPITAL EXPENDITURES</b>	0	0	0	0	0	0
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<b>CHANGE IN REVENUES ( )</b>						
Revenue Code						

**FUNDING: (Thousands of Dollars)**

1002 Federal Receipts						
1003 GE Match						
1004 GE						
1005 GE/Program Receipts						
1006 GE/MHTIA						
Other						
<b>TOTAL</b>						

Estimate of current year (FY 97) impact: \$ \_\_\_\_\_

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

**ANALYSIS: (Attach a separate page if necessary.)**  
 This bill will not fiscally impact the Division of Motor Vehicles

Prepared By: Juanita M. Hensley Phone: 465-2650  
 Division: Motor Vehicles Date: 1/22/97  
 Approved by Commissioner: *Ronald L. Ote* Date: 1/24/97  
 Agency: Ronald L. Ote, Dept. of Public Safety

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#1

adopted

0-LS0254\F.1  
Ford  
1/28/97

A M E N D M E N T

OFFERED IN THE HOUSE

BY REPRESENTATIVE MULDER

TO: Draft CSHB 43(FIN)

1 Page 3, following line 4:

2 Insert new bill sections to read:

3 \*\* Sec. 5. TRANSITIONAL MUNICIPAL TAXING AUTHORITY. Notwithstanding  
4 AS 28.10.431(c), any municipal registration tax levied on vehicles under AS 28.10.431(1),  
5 added by sec. 4 of this Act, may be collected, enforced, and otherwise administered by the  
6 municipality that imposes that tax. Only one annual registration tax levied under  
7 AS 28.10.431(1) may be collected with respect to the same vehicle in the year for which the  
8 tax is paid. The authority granted to municipalities under this section to collect, enforce, or  
9 administer the municipal registration tax on vehicles only applies to vehicles that were  
10 registered on or after January 1, 1997, and before the effective date of this Act.

11 \* Sec. 6. This Act is retroactive to January 1, 1997."

12 Renumber the following bill section accordingly.

0-LS0254\F  
Ford  
1/28/97

CS FOR HOUSE BILL NO. 43(FIN)  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
TWENTIETH LEGISLATURE - FIRST SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered:  
Referred:

Sponsor(s): REPRESENTATIVE MULDER

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to registration of vehicles, to municipal taxation of vehicles, and  
2 to emission control inspection fees for vehicles; and providing for an effective  
3 date."

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

5 \* Section 1. AS 28.10.108(f) is amended to read:

6 (f) Upon request of the owner and payment of the proportionate prorated  
7 applicable fees, a vehicle registered under this section shall have its registration period  
8 extended in monthly increments to allow biennial registration to occur in the month  
9 of the owner's choice. Notwithstanding the other provisions of this chapter, upon  
10 request of the owner, [AND] payment of the annual fee set out in AS 28.10.421(h),  
11 payment of any annual vehicle registration tax due under AS 28.10.431(l), and,  
12 if applicable, payment of one-half of the biennial emission control inspection  
13 program fee imposed under AS 28.10.423, the department shall register a [RENTAL  
14 MOTOR] vehicle used for commercial purposes for a one-year period.

1 \* Sec. 2. AS 28.10.421(h) is amended to read:

2 (h) The annual registration fees under this subsection for [RENTAL MOTOR]  
3 vehicles used for commercial purposes [UNDER THIS SUBSECTION] are imposed  
4 and are based upon the actual unladen weight as established by the manufacturer's  
5 advertised weight or upon the actual weight which the owner shall furnish, subject to  
6 the approval of the commissioner or the commissioner's representative, as follows:

- 7 (1) up to and including 5,000 pounds . . . . . \$51;
- 8 (2) more than 5,000 pounds to and including 12,000 pounds . \$86;
- 9 (3) more than 12,000 pounds to and including 18,000 pounds \$156;
- 10 (4) more than 18,000 pounds . . . . . \$221.

11 \* Sec. 3. AS 28.10.431(j) is amended to read:

12 (j) A municipality that imposes a motor vehicle registration tax as described  
13 under (a) of this section may also increase or decrease the scheduled amount of tax  
14 described under (b) or (l) of this section by passage of an appropriate ordinance. A  
15 municipality that chooses to change the tax imposed under (b) or (l) of this section  
16 shall file a written notice of the change with the department by January 1 of the year  
17 preceding the year in which the change in tax is to take effect. A municipality may not  
18 change the amount of the tax imposed under this section more than once every two  
19 years. The department may charge a municipality a one-time fee to cover the cost to  
20 the department of implementing a change under this subsection.

21 \* Sec. 4. AS 28.10.431 is amended by adding a new subsection to read:

22 (l) Notwithstanding (b) of this section, an annual tax is levied upon vehicles  
23 specified in AS 28.10.421(c) and subject to the registration fee under AS 28.10.411  
24 and 28.10.421 if the owner elects to register the vehicle annually as allowed under  
25 AS 28.10.108(f). The tax is based on the age of the vehicle as determined by model  
26 year according to the following schedule:

27	Tax According to Age of							
28	Vehicle							
29	Since Model Year:							
30	1st	2nd	3rd	4th	5th	6th	7th	8th
31								or over

1	5,000 pounds or less	\$ 66	\$ 55	\$ 44	\$ 33	\$22	\$17	\$11	\$ 8
2	5,001-12,000 pounds	110	88	66	55	44	33	22	11
3	12,001-18,000 pounds	165	132	110	88	66	44	32	22
4	18,001 pounds or over	220	176	143	110	88	66	44	22.

5 \* Sec. 5. This Act takes effect immediately under AS 01.10.070(c).



**REPRESENTATIVE ELDON MULDER**  
DISTRICT 23 MULDOON-Ft. RICHARDSON



ALASKA STATE LEGISLATURE  
HOUSE OF REPRESENTATIVES

**Sponsor Statement**  
**House Bill 43**  
by  
Representative Eldon Mulder


HB 43 is a clean-up bill to solve an inadvertent problem from last year.

SB 226 from the 19th Alaska Legislature changed vehicle registration from one year to two years. Amendments to SB 226 exempted rental vehicles since they were usually in the state for less than one year. In doing so we did not specifically allow collection of the municipal vehicle tax for rental vehicles on an annual basis.

HB 43 allows for the collection of municipal fees on annual registrations of rental vehicles. It also permits the collection of municipal fees for any vehicle registered between January 1, 1997 and the effective date of this legislation.

# MEMORANDUM

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DATE: January 13, 1997  
TO: Representative Gene Therriault  
FROM: Representative Mulder   
RE: HB 43 -- Scheduling for Hearing

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Please schedule for hearing as soon as possible.

HB 43 is a clean-up bill to solve an inadvertent problem from last year.

We changed the vehicle registration from one year to two years. We exempted rental vehicles since they were usually only in the state for one year. We forgot to specifically allow collection of the municipal vehicle tax on an annual basis.

HB 43 allows the collection of municipal fees on annual registrations of rental vehicles. It also permits a municipality to collect fees for any vehicle registered between January 1, 1997 and the effective date of this legislation.

It is important that we pass this technical cleanup bill as soon as possible so there is little extra collection expense for municipalities that collect a motor vehicle tax.

I have attached some information on the need for this legislation.