

**ALASKA LEGISLATURE**

**2473**

**HOUSE and SENATE FINANCE COMMITTEE FILES, 2003-2004**

Rags to riches

## Can oil ever help the poor?

KOMÉ

It hasn't in the past. Chad hopes to buck the trend

RURAL Chadians are unaccustomed to handling large amounts of cash. Esso-Chad, a consortium led by ExxonMobil, whose new oil pipeline runs through this giant but largely empty Saharan state, paid \$4m to compensate those whose land had been spoiled for farming, including \$1,000 for every mango tree cut down. The farmers squandered their windfall. One celebrated by taking a bath in beer. Another left his mud hut and went to stay in a four-star hotel in the capital, Ndjamená, for a couple of weeks. Others took several more wives. Some invested wisely in windmills or cattle, but most lost the lot. Traditional chiefs took a cut of about 10% from every farmer's compensation package.

This is the story of oil booms in poor countries, writ small. The world's most sought-after substance often curses the countries where it is found. Those that were rich before they struck oil, such as Norway, have not been harmed, and the most oil-rich Gulf states are obviously wealthier because of oil. But in many poor nations, a sudden influx of oil money has proven ruinous.

As with those farmers in Chad, easy money undermines the work ethic. Clever folk abandon productive work and start

hustling for a share of the petrodollars. Governments are corrupted, like those Chadian chiefs, as it is easier to steal unearned wealth than the sort that people have worked for.

Paradoxically, unearned wealth tends to bust budgets. Everyone thinks the country is richer than it really is, so politicians spend a fortune on pointless prestige projects, and citizens clamour for handouts. This is how Nigeria got its artificial capital city, and how Saudi Arabia came to be saddled with more than 20,000 expensive princes. None of the extra spending is cut back during cyclical oil price slumps, so the lucky petro-states end up horribly in debt. Worst of all, oil fuels wars (in Sudan, for example), by making control of the state a prize lucrative enough to kill for.

Africa is on the verge of an unprecedented oil bonanza: a handful of states are expected to receive \$200 billion in the next decade. To avert disaster, ways need to be found to ensure that the money is spent wisely. It is in Chad, Africa's newest oil-producer and one of its poorest, that the boldest experiment is taking place.

Over the past three years, EssoChad has transformed acres of farmland into a constellation of oil wells and high-voltage

power lines. Oil has started to flow through a 1,070km (665-mile) pipeline that links this landlocked desert state to the sea via Cameroon. Over the next 25 years Chad is expected to make \$80m a year from oil, a 50% boost to its tiny budget. On November 26th, the government got the cheque for its first shipment of crude.

But the money comes with ethical strings attached. Under pressure from the World Bank, Chad has set up an independent watchdog that will scrutinise how the government spends its oil booty. The Revenue Oversight Committee, as it is known, has rejected more than half the government contracts it has screened, and is insisting on open bidding.

The committee has weaknesses: it is understaffed, with only four full-timers and just five days to size up each contract. Its scrutiny slows an already tedious and mostly manual process for disbursing funds. Arguably, Chad needs the money fast. Though nearly twice the size of Texas, it has only 550km of paved roads. Infrastructure has been ground down by three decades of civil war. Ndjamená's only power station could barely light five office buildings in Washington. But without transparency, the money will be wasted.

Oil is capital-intensive but not labour-intensive, so few of Chad's 9m people can benefit directly. At most, 3,500 were employed in building the pipeline and other facilities, and some complain that they had to bribe employment agents to be hired. With the oil now flowing, the Chadian workforce is down to just over 1,000.

Car dealers and private security firms have profited from the arrival of well-paid ▶▶

expatriates. So have traders, who have quadrupled prices for chicken, cocoa butter, fish and meat. A shanty town has sprung up outside Komé 5, the main oil plant, nicknamed "Atten", after the French for "wait", because people go there to wait for work. Some people have rebaptised it "Satan", because of its plentiful bars and AIDS-spreading brothels.

The Chadians' best hope is that their watchdog will bite. Half its members have no ties to government, which is cheering. Already, it has been alerted to a discrepancy between the amount of oil pumped and the amount shipped. This is worrying, but the fact that such sensitive information has been made public augurs well.

Chad's case may be exceptional. Donors could lean on it because it was broke. As money starts flowing in from new oil fields, some of which will not fall under the probing eye of the committee, the government may feel empowered to ignore nagging foreigners. Do-gooding lobbies in Europe and America are campaigning for oil firms to "publish what they pay" to governments in poor countries, but the firms fear that if they insist on transparency, governments will simply switch to less scrupulous drillers. And even if they do open up, that may not stop politicians from looting. The only difference may be that people will know more accurately how much is stolen. ■

3/17/04 distributed by  
Joe Soj

**Subject: Testimony for Finance Committee**

**Date:** Sat, 13 Mar 2004 16:27:46 -0800 (PST)

**From:** Jim r <papa42dudes@yahoo.com>

**To:** Mindy\_Rowland@legis.state.ak.us

**CC:** Senator\_Con\_Bunde@Legis.state.ak.us

Mindy, Pls provide a copy of this msg to all members of the Senate Finance Committee.

Implement Spending Limit: OF COURSE!

Constitutional Guarantee Of Dividend: If it goes in the constitution it should state that proceeds from the Permanent Fund should first go to running the state, second to dividends, AND any year that dividends are paid the state shall not collect an income tax. If there is enough money for a dividend, then there is no need for income tax to be collected.

Allow For Some Limited Use Of Surplus Earnings Of The Fund: OF COURSE - as long as there is a tax cap/spending limit in the constitution.

Switch to POMV: YES

Jim Ricks, Eagle River, AK

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<http://mail.yahoo.com>

**Subject: Finance Comm Meeting 3/17**

**Date: Sat, 13 Mar 2004 18:34:50 -0900**

**From: William Hutmacher <chena2@ak.net>**

**To: Mindy\_Rowland@legis.statc.ak.us**

We will not be able to attend the 3/17 Finance committee meeting, however we would like to offer the following comments:

We are definitely in favor of the Percent of Market Value approach for the Permanent Fund.

We believe that some of the earnings of the Permanent Fund should be used to fund dividends AND government services such as education, public safety, transportation. Dividends should also be capped at a specific amount such as \$1,500.

We also believe that a limited income tax should be reinstated as part of the long term fiscal plan. We were here prior to 1980 when it was in effect. This ensures that residents and non-residents contribute to the funding of essential state services.

We believe we must have a long term fiscal plan by the end of this session. DON'T put it off because oil prices happen to be at a high level.

Thank you,

Bill & Ruth Hutmacher  
16130 Bridgewood Circle  
Anchorage  
344-1014

**Subject: Fw: Fiscal Gap**

**Date:** Fri, 12 Mar 2004 13:18:11 -0900

**From:** Jerry and Janet George <jgeorge@ak.net>

**To:** Mindy\_Rowland@legis.state.ak.us

Here is the message I sent my Senator. It should go to every legislator on your committee.

**YOU SHOULD NOT COME HOME UNTIL YOU SOLVE THE FISCAL GAP PROBLEM**

NO to guarantee the dividend in the constitution

YES to % of market value

YES to using a % of permanent fund for state government

YES to an income tax that considers the effect on seniors and not tax their retirement after taking away longevity bonus

YES to a lump sum school tax taken from everyone's first paycheck

YES to raising the fuel tax by 23-30 cents a gallon for highways

YES to tobacco tax increase

YES to alcohol tax increase

Jerry & Janet George

3640 Dora Ave.

Anchorage, AK 99516

(907) 345-1841 (Home)

(907) 223-5656 (Cell)

[jgeorge@ak.net](mailto:jgeorge@ak.net)

----- Original Message -----

From: Jerry and Janet George

To: Con Bunde

Sent: Friday, March 12, 2004 1:10 PM

Subject: Fiscal Gap

I have several friends that served on the committee of 55 in Fairbanks. I followed that conference on radio and debriefed with a couple folks who were there. I have also watched the legislature fumble for the last few years and it looks like they are about to fail again to come up with a solution. **YOU SHOULD NOT COME HOME UNTIL YOU HAVE RESOLVED THIS MATTER IN SOME FASHION.** To delay another session would be nonfeasance of office and dereliction of duty.

Here is my VOTE

- Do not guarantee the permanent fund dividend in the constitution. That is forever. A thousand years? We have to look at what happened in 1964 when we had the earthquake or in 1967 when we had the flood in the interior. We need to be able to react to emergencies no matter what.
- I agree with the percent of market value approach.
- A spending limit is an admission of failure by the legislature to do their job. If little Janie needs an operation to save her life, do you say sorry it is not in the budget? Or do you cancel the family vacation and get her the operation? It is your job every year to create a budget and you should have the flexibility to continue to do that each year as times and needs change.
- The permanent fund should be used sparingly to meet the needs of Alaskans. But it should be used.
- I would favor a "school tax" like we use to have in the good old days before oil money. I understand the constitutional prohibition against dedicated funds, but we have to believe that the legislature will always appropriate more for education than the tax brings in. There are ways to make it work. The International Airport Revenue Fund works because you reappropriate the fund each year. The school tax should be \$100 or greater and come out the first paycheck of the year. It worked for years in territorial days - it can work again.
- Raise the fuel tax to fund the highways. It is a fair user tax. Alaska has the lowest fuel tax in the nation. A 25

or 30 cent per gallon increase is warranted.

- Consider the elders in any income tax program. I retired and am getting too old to go back to work to make up for what you take away. For example, no more longevity bonus. What if we loose the permanent fund dividend, the property tax break for seniors, and then you start taxing our retirement check? Add to that when you do impose an income tax, every union is going to ask for raises and the cost of goods and services will rise to cover the cost. It comes right back out of our pockets again. I retired based on certain rules in effect at the time. Keep taking more away and you will have to increase welfare to take care of those of us who could have made it if you hadn't taxed us into the poor farm. I agree with an income tax, but consider its effect on seniors who are already retired. Like exempt retirement income.

But I am afraid that if you do not figure this out we will have another 1986. My house will lose value and it represents a large amount of our net worth. We need the value to stay up so it will pay for our years in a retirement home. We are thinking we should sell now and get out before the bottom drops out. I have lived here almost my entire life and I do not want to leave Alaska but I have no faith that the legislature can keep the bottom from dropping out of our economy.

DO SOMETHING. But do not delay this another year. Give those of us who have few options the opportunity to sell out and leave while we still can. Or give us the peace of mind that you have a solution. JUST DO IT.

Jerry & Janet George  
3640 Dora Ave.  
Anchorage, AK 99516  
(907) 345-1841 (Home)  
(907) 223-5656 (Cell)  
[jgeorge@ak.net](mailto:jgeorge@ak.net)

**Subject: Testimony regarding Conference of Alaskans**

**Date:** Fri, 12 Mar 2004 13:14:17 -0900

**From:** "Carman, John" <JCarman@homestatemtg.com>

**To:** "'Mindy\_Rowland@legis.state.ak.us'" <Mindy\_Rowland@legis.state.ak.us>

I would like to make this email a part of the public testimony that is scheduled for March 17<sup>th</sup>.

I was married in Anchorage in August 1970 - I finished my last year of College that year and moved permanently to Alaska in 1971. Other than 5 years to go to Graduate school I have lived in Alaska ever since. I remember quite well all of the discussion and the reasons I voted for the Permanent fund. In my mind the reasons were quite clear.

The state had too much money we wanted to limit the amount we were spending each year

The Oil was a depleting resource and we wanted to transform that wealth into a fund that **WOULD BE ABLE TO FUND NECESSARY STATE SERVICES WHEN THE OIL RAN OUT.**

It is a little crazy to now say that this fund, that was created for this purpose, will not be used for it's intended purpose because it is "the peoples money". I have heard everyone's definition of "fair". And the bottom line always seems to be that it is fair if we take more of the money form you and not fair if you take it from me. How can anyone say that it is more "fair" to take the money from an Alaskan that has worked here for 30 years - but not take it from a 2 year old whose parents moved here last year. The Hammond plan reminds me of those that complained that they didn't get anything from an income tax reduction because they didn't pay any taxes to begin with. It is crazy to want a reduction to below -0-.

This is state money derived from the sale of state assets - it should be used first and foremost to pay for state government. If there is any left over distribute it. If there is not enough tax us. But don't take from one group and give to another. Your job should be to make sure that money is spent wisely - not to redistribute income among Alaskan's.

A percent of market value is a good plan if it doesn't tie up the plan and memorialize the PFD any more than it already is. If Hammond wants everyone to "feel the pain" to somehow limit state government then have the PFD state each year

- 1) This is 5% of earnings
- 2) This amount went to fund state government
- 3) This is what is left to distribute to you

Thank you for your patience.

John Carman

Homestate Mortgage

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**Subject: Testimony for all Finance Committee Members**

**Date:** Thu, 18 Mar 2004 08:31:20 -0900

**From:** Shirley & Chuck Coulson <coulsons@gci.net>

**To:** Mindy\_Rowland@legis.state.ak.us

Dear All,

My name is Lindsey Coulson and I am a sixth grader at Bear Valley Elementary. Please give my school district the money it needs for next year. I am concerned that when I go to Goldenview Middle School I won't have the opportunities to try new things like my brother and sister had. By taking away one elective it is like taking away a chance to learn something new and it seems by doing that the school district doesn't care about us learning new things before high school. I would be very angry if this is what will happen. I have listened to my older brother and sister talk about the really great teachers at Goldenview and I don't want them laid off from their jobs. Please take my opinion into consideration because I know this is how some of my other fellow classmates feel.

From,

Lindsey Coulson

# STATE OF ALASKA

Department Of Labor and Workforce Development

FRANK H. MURKOWSKI, GOVERNOR

P. O. Box 21149  
Juneau, AK 99802-1149  
Phone: (907)465-2700  
Fax: (907)465-2784

## OFFICE OF THE COMMISSIONER

March 22, 2004

The Honorable Lyda Green  
Alaska State Legislature  
State Capitol, Rm. 516  
Juneau, AK 99801-1182

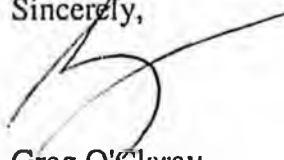
The Honorable Gary Wilken  
Alaska State Legislature  
State Capitol, Rm. 518  
Juneau, AK 99801-1182

Dear Senators Green and Wilken,

On March 18, 2004, two of our Research and Analysis staff, Chris Miller and Neal Fried, testified before the Senate Finance Committee. They presented an overview of current and historical economic conditions in Alaska. During their testimony, several committee members requested additional population and economic information.

The attached document addresses the questions that were raised relating to the working age population of Alaska, nonresidents working in Alaska, household size, employment trends, gross state product, fisheries employment and the importance of government employment in Alaska. If you have additional questions relating to these or other issues, feel free to contact me.

Sincerely,



Greg O'Claray  
Commissioner

Enclosure

cc: Chris Miller, Chief, Research and Analysis

RECEIVED  
MAR 22 2004

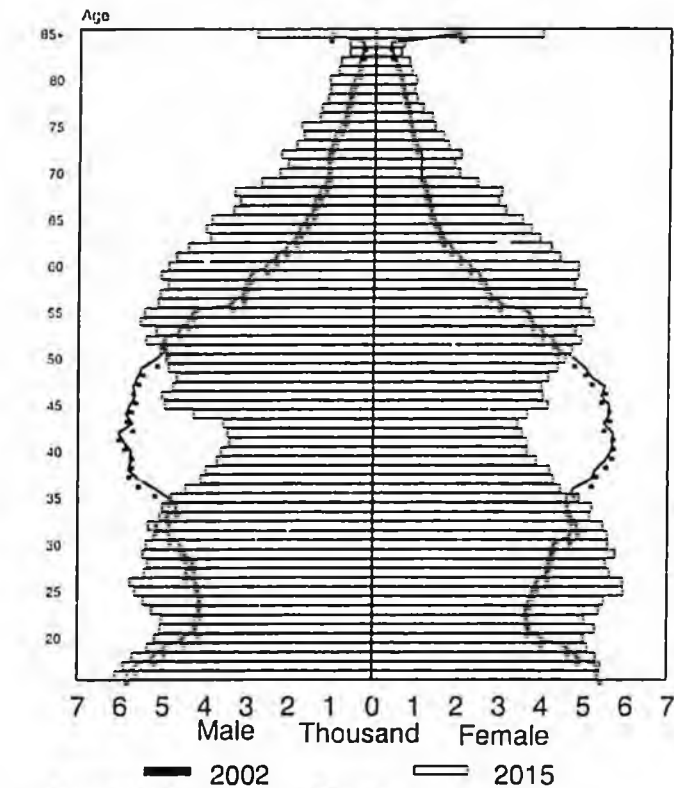
**Responses to questions posed to  
Alaska Department of Labor and Workforce Development, Research and  
Analysis at the Senate Finance Committee Hearing on March 18, 2004**

**March 22, 2004**

What percent of Alaskans are in the working age population now, and how many are projected to be in the working age population in 2015?

In 2002, the percent of Alaska's total population of working age (age 16-64) was 67.1%. Based on our most recent population projections, the percent of Alaska's total population in 2015 that will be of working age will be 63.2%.

Alaska 2002 and Projected 2015  
Working Age and Male/Female



What is the number of persons per household in Alaska and how has it changed over the years?

The persons per household in Alaska has declined about 0.1 persons per decade from 1980-2000.

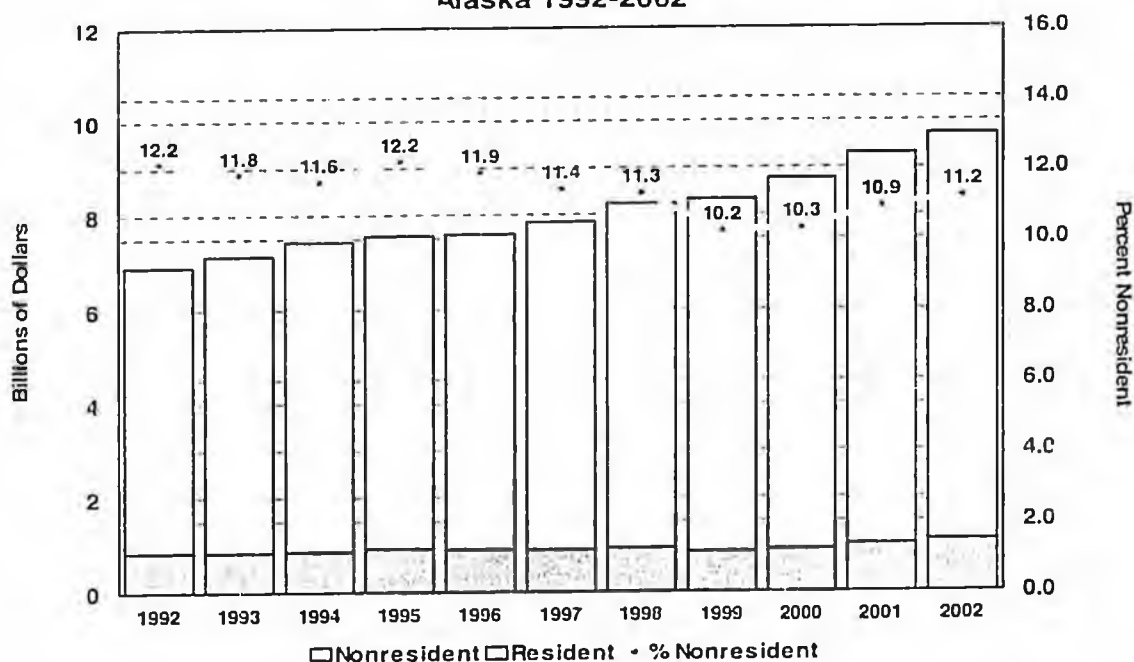
Persons per Household Alaska and US 1980-2000		
	Alaska	US
1980	2.93	2.76
1990	2.80	2.63
2000	2.74	2.62

Source: US Bureau of Census Bureau

### What percent of Alaska wages were paid to nonresident workers in 2002?

About 11 percent of wages (in private sector, state and local government wage and salary jobs) were paid to nonresident workers in 2002.

**Resident and Nonresident Wages and Percent Nonresident  
Alaska 1992-2002**

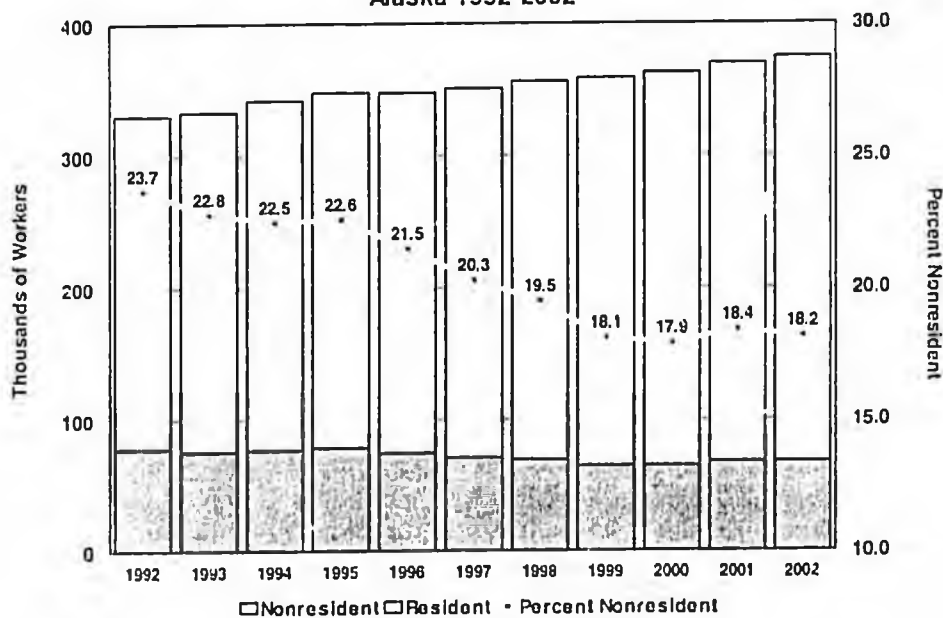


Note: Includes private sector, state and local government workers.  
Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section.

### How has the percentage of nonresident workers and wages changed in Alaska over the last several years?

Both the percentage of nonresident workers and wages have declined since the early 1990's. In 2002, we estimate that 18.2 percent of all workers employed in private sector, state and local government were nonresidents of Alaska.

**Resident and Nonresident Workers and Percent Nonresident  
Alaska 1992-2002**



Note: Includes private sector, state and local government workers.  
Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section.

**How many nonresident workers are employed seasonally in Alaska and what percentage of nonresident earnings go to seasonal workers?**

More than half of nonresident earnings were paid to workers employed in all four quarters of 2002. About one third of all nonresident workers were employed in only one calendar quarter of 2002. Nonresident workers earned an average of \$16,007 in 2002 while resident workers earned an average of \$28,157.

**Total Workers and Wages by Residency and Quarters Worked  
Alaska 2002**

Nonresident			
AK Quarters Worked	Number	Avg. Wages	Total Wages
1	23,203	3,818	88,598,362
2	21,798	9,765	212,851,428
3	11,658	18,989	221,375,141
4	11,313	49,959	565,185,645
Total	67,972	\$16,007	\$1,088,010,577

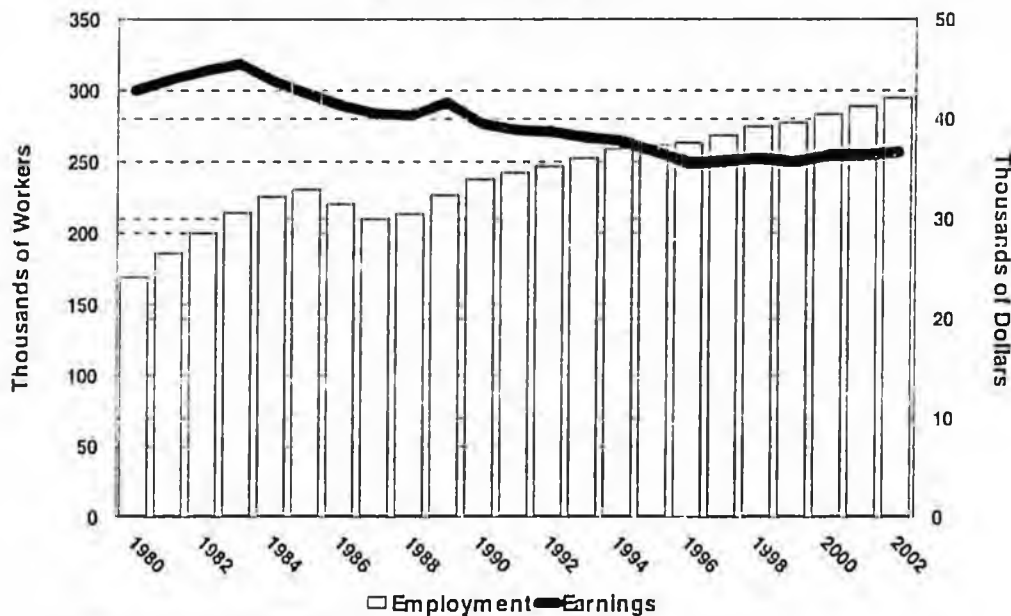
Resident			
AK Quarters Worked	Number	Avg. Wages	Total Wages
1	27,387	2,340	64,092,089
2	37,452	6,993	261,912,606
3	40,846	14,677	599,480,573
4	200,838	38,365	7,705,247,564
Total	306,523	\$28,157	\$8,630,732,832

Source: Alaska Dept. of Labor and Workforce Development, Research and Analysis

**What has been the trend for average wages and average employment in Alaska since 1980?**

Alaska has added jobs for sixteen consecutive years (1988-2003) at an average rate of about 2.7% a year. Real wages have fallen from a high point in 1983, but have increased slightly since 1996.

**Employment and Average Earnings  
Alaska 1980-2002**

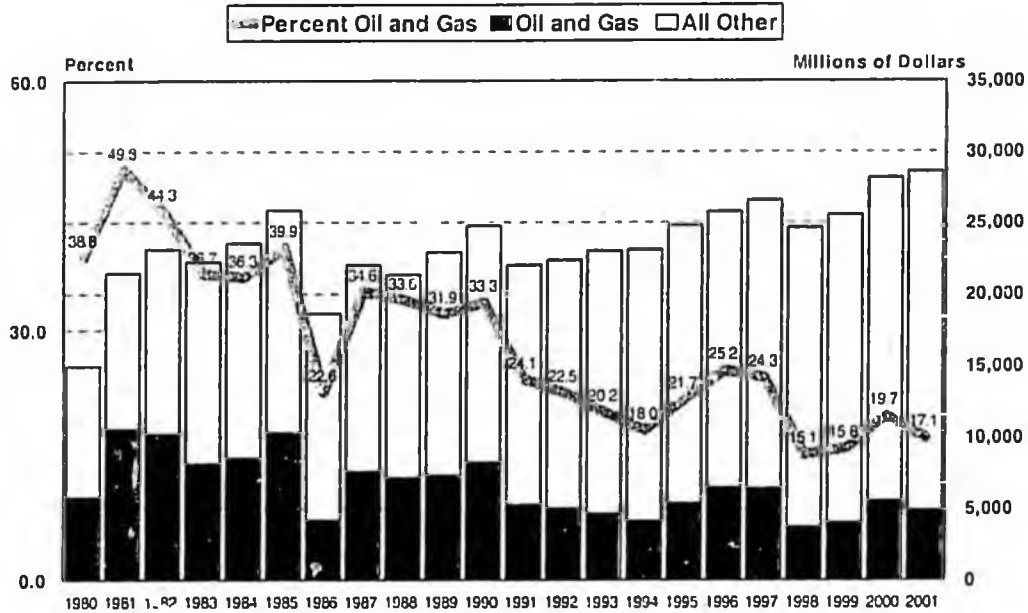


Note: Earnings in constant 2002 dollars  
Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

**What percent of Alaska's Gross State Product is driven by oil prices?**

In 2001, approximately 17 percent of Alaska's gross state product was associated with the oil industry. Total oil industry gross product is directly associated with the price and production of oil.

**Alaska Gross State Product- 1980 to 2001  
Total, Oil Industry Product and Percent Oil  
In Current \$'s**



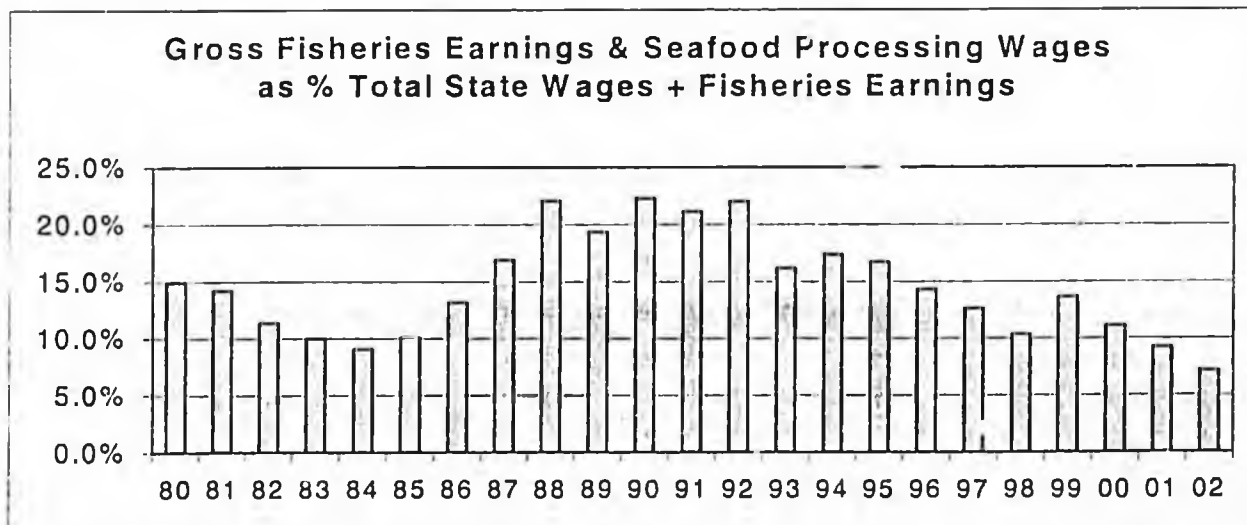
Source: US Dept. Of Commerce, BEA

**How many workers are employed in the fishing industry, including seafood harvesting?**

In 2002 a preliminary estimate of 45,100 persons were involved in harvesting Alaska managed fisheries or seafood processing.

**What percent of the Alaska economy is based upon fisheries?**

In 2002 the seafood industry accounted for approximately 7 percent of Alaska wages and salaries.

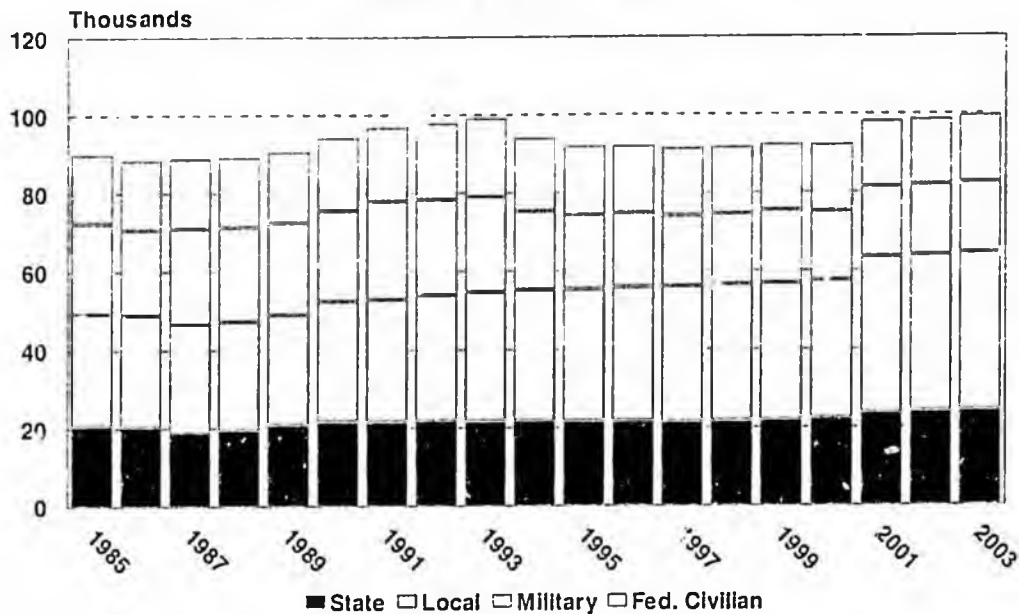


Source: DOLWD, Research and Analysis and ADFG, CFEC

**How many workers are employed in state, local, and federal government (military and civilian) in Alaska?**

Total government employment (including military) has grown from about 89,000 in 1985 to 99,500 in 2002. Federal government employment has declined during that period, while state government has added 3,600 jobs and local government 11,500 new workers.

**State, Local, Military and Federal Civilian Govt. Employment  
Alaska 1985-2003**



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

**CONFIRM.**

**HEARING,**

**DEPT. OF**

**REV., WM.**

**CORBUS,**

**1/28/03**

**SFIN**

**FILE**



Official Business

# Alaska State Senate

## Senate Finance Committee

JAN 28 2003

Mail Stop 3100  
State Capitol  
Juneau, Alaska 99801-1182

### REPORT ON CONFIRMATION OF APPOINTMENTS

28 January 2003

The Honorable Gene Therriault  
President of the Senate  
State Capitol  
Juneau, Alaska 99801-1182

Dear President Therriault:

In accordance with AS 39.05.080, the Senate Finance Committee reviewed the following and recommends the appointment be forwarded to a joint session for consideration

William Corbus, Commissioner, Department of Revenue

There were no stated objections to the confirmation of the named individual by committee members. This does not reflect an intent by any of the members to vote for or against him during any further sessions.

Respectfully,

Senator Wilken, Chair

Senator Austerman

Senator Green, Chair

Senator Hoffman

Senator Stevens

Senator Olson

Senator Bunde



Official Business

# Alaska State Senate

## Senate Finance Committee

Mail Stop 3100  
State Capitol  
Juneau, Alaska 99801-1182

JAN 28 2003

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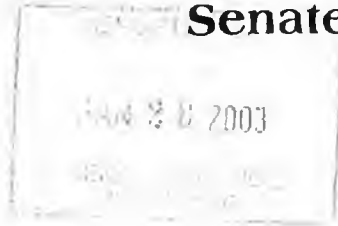
Senator Bunde



Official Business

# Alaska State Senate

## Senate Finance Committee



Mail Stop 3100  
State Capitol  
Juneau, Alaska 99801-1182

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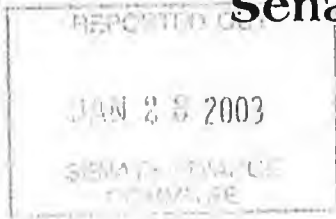
Senator Bunde



Official Business

# Alaska State Senate

## Senate Finance Committee



Mail Stop 3100  
State Capitol  
Juneau, Alaska 99801-1182

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Senator Wilken, Chair

Senator Austerman

Senator Green, Chair

Senator Hoffman

Senator Stevens

Senator Olson

Senator Bunde



OFFICIAL BUSINESS

# Alaska State Legislature

## Senate

STATE CAPITOL, ROOM 213  
JUNEAU, ALASKA 99801-1182

(907) 465-3701

FAX 465-2832

EMAIL: senate\_secretary@legis.state.ak.us

January 22, 2003

### MEMORANDUM

TO: Senator Green, Cochair  
Senator Wilken, Cochair  
Finance Committee

FROM: Kirsten Waid *KW*  
Acting Secretary of the Senate

SUBJECT: Governor's Confirmations

Pursuant to Article III, Section 25 of the Alaska Constitution, President Therriault has referred the following name for legislative confirmation to your committee for a hearing, recommendation and report:

**Commissioner - Department of Revenue**  
William A. Corbus  
Appointed: 12/09/2002

KW/lc  
Resume attached

December 2002

RESUME

William A. Corbus  
5601 Tonsgard Court  
Juneau, Alaska 99801

Tel: 907-780-2222-Office  
907-585-6208-Home  
907-463-6332-FAX  
E Mail: bill.corbus@aelp.com

**EMPLOYMENT**

April 1988 - present	President Alaska Energy and Resources Company
December 1978 - April 1988,	President & General Manager Alaska Electric Light and Power Company
January 1997 - August 2002	
March 1970 - December 1978	Assistant Manager Alaska Electric Light and Power Company
November 1965 - November 1969	Stone & Webster, New York City Public utility accounting and financial planning, 1965-1967 Public utility security analysis, 1967-1969

**EDUCATION**

Stanford University, Bachelor of Science,  
Industrial Engineering, 1959  
Amos Tuck Graduate School of Business Administration,  
Dartmouth College, Master of Business Administration,  
Finance Major, 1965

**MILITARY**

United States Naval Reserve - Rank on termination of active  
duty - Lieutenant, Junior Grade  
USS Leonard F. Mason (DD 852), CIC Officer, March 1960 -  
August 1962  
Coastal District Advisor to Vietnamese Navy, Vung Tau,  
Vietnam, August 1962-September 1963

## BUSINESS AND PROFESSIONAL

B. M. Behrends Bank  
Director, July 1972-November 1989  
Vice Chairman, July 1984-November 1989  
Key Bank of Alaska  
Director, May 1990-December 1996  
First National Bank of Anchorage  
Director, March 2000-present  
Alaska State Pension Investment Board  
Trustee, 1993-1999  
Chairman, 1993-1994  
Alaska Power & Telephone Company  
Director, 1996-present  
Registered Electrical Engineer (Alaska Reg. No. EE 3580)

## CIVIC

City and Borough of Juneau Charter Commission, 1972  
Director, Alaska State Chamber of Commerce, 1973-1975,  
1991-1994  
Bartlett Memorial Hospital, Juneau  
Director 1971-1981  
President 1980  
Capital Site Selection Commission, 1975-1976  
Capital Site Planning Commission, 1978-1979  
New Capital Site Planning Commission, 1981-1982  
Alaska Growth Policy Council 1981-1982  
University of Alaska - Juneau Advisory Board, 1935-1990  
Director, Juneau Boy Scout Council, 1988-1992  
Director, Catholic Community Service, 1995-1999  
Governor's Alaska Highway Natural Gas Policy Council, 2000  
Director, Juneau Hospice & Home Care, 2000-present

## FAMILY

Wife-Katie, Son-Booker

## HOBBIES

Hunting, fishing, skiing

**FISHERIES**

**DISASTER**

**ASST., BY**

**SEN.**

**AUSTERMAN**

**5/13/03**

SFIN

FILE

Draft, draft, draft – For Internal Discussion Only

Program Title	Lead Agency (Person)	Other State Agencies	Other Contributors	Eligible Applicant	Establish Criteria	Establish Timeline	Other
Direct Aid to Individuals	DOL Scavera	DCED ADF&G (fish tickets)		Fishermen and crew	April 18	TBD	Labor will handle the application review and appeal process.
Direct Aid to Impacted Communities	DCED Fisk/ Haight			Communities that received fish tax	April 18	Checks out ASAP.	Fund distribution through existing fish tax channels.
National Ad Campaign	DCED Johnson ASMI Riut.a			Approved mar. ating vendor	TBD	TBD	ASMI will establish a process with deliverables.
Quality Control Standards	DCED Johnson	ASMI ADF&G DEC	UA – MAP	Quality assurance providers	May 2	April 25	DCED will convene a sub committee of agencies and contributors to establish a quality control program that will support the marketing efforts under the National Ad Campaign.
Transportation	DCED Johnson	DOT ADF&G ASMI	UA – MAP AFDF Industry - advice	Processors and transportation companies	May 2	April 25	DCED will convene a subcommittee of agencies and contributors to determine funding direction, amount and area to move product in support of the national ad campaign.
Research and Development	DCED Johnson	ASMI	UA – MAP AFDF Industry - advice	Private companies and research institutes.	May 9	April 25	DCED will convene a subcommittee of agencies and contributors to determine criteria, timeline, and project parameters. Decisions will be made by agencies and funds will go out under the grant section/DCED.
Fishery Economic Development Projects	DCED Fisk/ Haight	ADF&G DOT	UA – MAP UA – FITC AFDF Industry – advice	Communities, industry, other	May 9	April 25	DCED will convene a subcommittee of agencies and contributors to determine criteria, timeline and project parameters. Decisions will be made by agencies and funds will go out under the grant section/DCED.
Harbor and Transportation Infrastructure	DCED Fisk/ Haight	DOT	UA – MAP UA – FITC AFDF Industry – advice	Communities, industry, other	May 9	April 25	DCED will convene a subcommittee of agencies and contributors to determine criteria, timeline and project parameters. Decisions will be made by agencies and funds will go out under the grant section/DCED.
Rural Development Investment Fund	DCED Winegar			Eligible applicants under current program parameters	Done	Done	Utilize existing mechanism with Division of Investment.
Fishery industry business assistance	DCED Fisk	DOL Scavera	ARDORS SBDC Other economic development engines	Businesses	TBD	TBD	Through existing programs, direct technical assistance will be put to the fishing and seafood industry to enhance their success.

5/13/03 distributed by Sen. Austerman

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**House Rpt.108-010 - MAKING FURTHER CONTINUING APPROPRIATIONS FOR THE  
 FISCAL YEAR 2003, AND FOR OTHER PURPOSES**

Full Display		Related Information	
<a href="#">GPO PDF</a>	<a href="#">Printer Friendly Display</a>	<a href="#">Bill Summary and Status</a>	<a href="#">Full Text of Bill</a>

***TITLE V--FISHERIES DISASTERS***

***SEC. 501. FISHERIES DISASTERS-*** *In addition to amounts appropriated or otherwise made available, \$100,000,000 is appropriated to the Department of Commerce for fisheries disaster assistance. Not more than 5 percent of such funds may be used for administrative expenses, and no funds may be used for lobbying activities or representational expenses.*

*(a) WESTERN PACIFIC AND NORTH PACIFIC-* \$5,000,000 shall be made available as a direct lump sum payment to the State of Hawaii for economic assistance to fisheries affected by federal closures or fishing restrictions and \$35,000,000 shall be made available as a direct lump sum payment to the State of Alaska no later than 30 days after the date of enactment of this Act to make payments to persons or entities which have experienced significant economic hardship. Funds in Alaska shall be used to provide (A) personal assistance with priority given to food, energy needs, housing assistance, transportation fuel including subsistence activities, and other urgent needs; (B) assistance for small businesses including fishermen, fish processors, and related businesses serving the fishing industry; (C) and assistance for local and borough - governments adversely affected by reductions in fish landing fees and other fishing-related revenue; and (D) product development and marketing. .

*(b) NORTHEAST AND WEST COAST-* \$10,000,000 shall be made available to conduct a voluntary fishing capacity reduction program in the Northeast multispecies fishery and \$10,000,000 shall be made available to conduct a voluntary fishing capacity reduction program in the West Coast groundfish fishery. Such sums shall supplement the voluntary capacity reduction program authorized for the fishery in Sec. 211 of Public Law 107-206 and be consistent with section 312(b) of the Magnuson-Stevens Fishery Conservation and Management Act and the requirements relating to the capacity program in section 211 of Public Law 107-206 that shall--

*(1) permanently revoke all fishery licenses, fishery permits, area and species endorsements, and any other fishery privileges issued to a vessel or vessels (or to persons on the basis of their operation or ownership of that vessel or vessels) removed under the program; and*

*(2) ensure that vessels removed under the program are made permanently ineligible to participate in any fishery worldwide, and that the owners of such vessels will operate only under the United States flag or be scrapped as a reduction vessel pursuant to section 600.1011(c) of title 50, Code of Federal Regulations.*

May 12, 2003

Dear Alaska Commercial Salmon Fisherman or Crew Member:

Drastic changes in commercial salmon fishing have caused economic hardship for many Alaska salmon fishermen and their families. The State of Alaska is providing an opportunity for those fishermen in most urgent need to apply for direct financial assistance.

If you are an Alaska resident, held an active 2002 commercial salmon permit or salmon crew license, and meet other requirements defined on the enclosed form, you may be qualified for this financial assistance.

Please carefully read, complete, and sign the enclosed Confidential Data Request form. The completed form must be returned to the Alaska Department of Labor and Workforce Development at P.O. Box 25509, Juneau, AK 99802-5509, with all necessary documentation, **postmarked no later than June 7, 2003**. Those who qualify may expect to receive a one-time payment by June 27, 2003.

I hope this financial assistance will help you and your family with immediate necessities, such as food, energy needs, and housing.

Sincerely yours,

S/S FRANK H. MURKOWSKI

Frank H. Murkowski  
Governor

Enclosure

FHM/FH/AA/mf  
1120 (fisheries)

Salmon Fishermen 2003.doc

Confidential Data  
Request

**Alaska Department of Labor  
and Workforce Development**

PO Box 25509  
Juneau, AK 99801  
Phone: 907-465-4691  
Fax: 907-465-2741

The following information is needed to determine if you are eligible for Fisheries Revitalization funds made available by Governor Murkowski. To qualify you must have had an active commercial salmon permit or salmon crew license in 2002, been at least the age of 18 in 2002, be an Alaska resident, and fall beneath the income limits shown below.

**1. PERMIT HOLDER OR CREW MEMBER INFORMATION**

State of Alaska 2002 Commercial Salmon Fisheries Entry Permit number: \_\_\_\_\_

Name of Salmon Permit Holder: \_\_\_\_\_

-OR-

State of Alaska 2002 Commercial Salmon Crew License number: \_\_\_\_\_

Name on Crew license: \_\_\_\_\_

Name of Salmon Permit Holder I crewed for: \_\_\_\_\_

My Mailing Address: \_\_\_\_\_

City: \_\_\_\_\_

State: \_\_\_\_\_

Zip: \_\_\_\_\_

Telephone: \_\_\_\_\_

Date of Birth: \_\_\_\_\_

Social Security Number: \_\_\_\_\_

**2. 2002 INCOME INFORMATION** (please use your 2002 Federal Income Tax Return- 1040 form)

2a. Total number of dependents, including yourself, listed on Line 6D of your 1040 tax return: \_\_\_\_\_

2b. Total 2002 Adjusted Gross Income listed on line 33 of your 1040 tax return: \_\_\_\_\_

**2002 Income Limits**

Family Size	Maximum Income
1	\$11,080
2	\$14,930
3	\$18,780
4	\$22,630
5	\$26,480
6	\$30,330
7	\$34,180
8	\$38,030

Please return this form with a copy of your 2002 Federal Income Tax return to the Alaska Department of Labor and Workforce Development, postmarked NO LATER THAN JUNE 7, 2003.

Signature: \_\_\_\_\_ Date \_\_\_\_\_

**Allocation Assuming \$7,000,000\***  
**8-Year Base (89-96)/5-Year Impacts (97-01)**

by Allocation		by Municipality	
Municipality	Allocation	Municipality	Allocation
Ouzinkie	\$500.00	Akhiok	\$530.32
Angoon	\$500.00	Aleutians East	\$1,101,561.66
Marshall	\$500.00	Angoon	\$500.00
Skagway	\$500.00	Aniak	\$3,729.00
Kasaan	\$500.00	Anvik	\$2,267.43
Coffman Cove	\$500.00	Bethel	\$20,336.13
Tenakee Springs	\$500.00	Bristol Bay	\$1,739,289.51
Thome Bay	\$500.00	Chignik	\$56,417.00
Cold Bay	\$500.00	Clark's Point	\$174,462.55
Soldotna	\$500.00	Coffman Cove	\$500.00
Tununak	\$500.00	Cold Bay	\$500.00
Akhiok	\$530.32	Cordova	\$101,637.02
Saint Michael	\$544.95	Craig	\$31,884.71
Toksook Bay	\$662.49	Dillingham	\$119,136.86
Koyuk	\$905.21	Egegik	\$63,659.89
Port Heiden	\$1,105.88	Emmonak	\$27,708.83
Nome	\$1,165.91	False Pass	\$27,729.80
Nenana	\$1,188.35	Galena	\$3,420.94
Old Harbor	\$1,603.29	Goodnews Bay	\$7,904.27
Klawock	\$1,704.83	Haines Borough	\$2,877.25
Port Lions	\$1,748.84	Homer	\$80,908.24
Kaltag	\$2,166.35	Hoonah	\$40,736.04
Anvik	\$2,267.43	Hooper Bay	\$2,858.49
Shaktolik	\$2,576.71	Hydaburg	\$7,208.78
Hooper Bay	\$2,858.49	Kaltag	\$2,166.35
Haines Borough	\$2,877.25	Kasaan	\$500.00
Galena	\$3,420.94	Kenai	\$155,024.29
Mekoryuk	\$3,644.80	Kenai Peninsula	\$623,251.20
Unalakleet	\$3,719.25	Ketchikan	\$40,576.50
Aniak	\$3,729.00	Ketchikan Gateway	\$29,362.93
Seldovia	\$3,823.38	King Cove	\$207,498.85
Hydaburg	\$7,208.78	Klawock	\$1,704.83
Valdez	\$7,758.37	Kodiak	\$321,498.47
Goodnews Bay	\$7,904.27	Kodiak Island	\$362,937.67
Wrangell	\$13,432.73	Koyuk	\$905.21
Bethel	\$20,336.13	Lake and Peninsula	\$441,970.95
Emmonak	\$27,708.83	Marshall	\$500.00
False Pass	\$27,729.80	Mekoryuk	\$3,644.80
Ketchikan Gateway	\$29,362.93	Nenana	\$1,188.35
Craig	\$31,884.71	Nome	\$1,165.91
Ketchikan	\$40,576.50	Old Harbor	\$1,603.29
Hoonah	\$40,736.04	Ouzinkie	\$500.00
Chignik	\$56,417.00	Pelican	\$92,634.72
Pilot Point	\$61,230.88	Petersburg	\$277,023.20
Egegik	\$63,659.89	Pilot Point	\$61,230.88
Sand Point	\$72,139.36	Port Heiden	\$1,105.88
Homer	\$80,908.24	Port Lions	\$1,748.84
Pelican	\$92,634.72	Saint Michael	\$544.95

Yakutat	\$99,759.61	Sand Point	\$72,139.36
Cordova	\$101,637.02	Seldovia	\$3,823.38
Seward	\$117,126.44	Seward	\$117,126.44
Dillingham	\$119,136.86	Shaktoolik	\$2,576.71
Kenai	\$155,024.29	Sitka	\$171,679.71
Sitka	\$171,679.71	Skagway	\$500.00
Clark's Point	\$174,462.55	Soldotna	\$500.00
King Cove	\$207,498.85	Tenakee Springs	\$500.00
Togiak	\$256,769.16	Thorne Bay	\$500.00
Petersburg	\$277,023.20	Togiak	\$256,769.16
Kodiak	\$321,498.47	Toksook Bay	\$662.49
Kodiak Island	\$362,937.67	Tununak	\$500.00
Lake and Peninsula	\$441,970.95	Unalakeet	\$3,719.25
Kenai Peninsula	\$623,251.20	Valdez	\$7,758.37
Aleutians East	\$1,101,561.66	Wrangell	\$13,432.73
Bristol Bay	\$1,739,289.51	Yakutat	\$99,759.61
	\$7,000,000.00		\$7,000,000.00

\*Based on estimate of each municipality's "loss" of state shared fish tax for each of five years (97-01), attributable to declines in the salmon industry, compared to the average of state shared fish tax received by each community in the highest four years of the prior eight-year period (89-96). The amount allocated to municipalities is pro-rated based on the amount available for distribution -- in this case \$7,000,000.

# SALMON MARKETING

To: Jim Clark  
Chief of Staff

From: Margy Johnson  
Director

Re: Salmon Marketing

The State of Alaska will pursue a WILD ALASKA SALMON marketing campaign, which will benefit both harvesters and processors. ASMI will be the lead organization in screening RFPS and implementing plan.

The Fish Cabinet and Chief of Staff is overseer. Not ASMI board.

The time is right for Wild Alaska salmon and we expect this to move quickly.

The plan will be based on promoting the health benefits of WILD ALASKA SALMON

- \*\* Alaska is one of the most important wild salmon producing areas in the world
- \*\*5 different types of salmon
- \*\*Alaska salmon was the first North America seafood product to earn Marine Stewardship Counsel certification.

Marketing to include awareness and education driven by compact, well-balanced integrated marketing communications including:

- \*\* Public Relations
- \*\*Advertising
- \*\*Promotions
- \*\*Collateral and educational material

State will promote Wild Alaska salmon to the Lower 48, but we realize that much of our market is the Pacific Rim. Governor to do a trade mission to Japan, this fall. State will employ a salmon ambassador to help Japan marketing partners get over negative aspect of harvester/processor lawsuit.

*Margy's point: Want Governor to do an add. Want Governor to go on sales calls with wholesalers ie pursuing the mega chains McDonalds, etc. Remember please! Every Alaska is a seafood marketer. It is our joy & duty to sell salmon!*

Division of Community and Business Development  
Department of Community and Economic Development  
State of Alaska

*Fisheries Economic Development  
Matching Grant Program  
Grant Application Guide*

*May 12, 2003*



## A. General Information

---

Governor Frank Murkowski recently announced the Alaska Fisheries Revitalization Strategy. The Revitalization Strategy combines federal Fisheries Disaster funds authorized under Title V – Fisheries Disaster, Section 501(b) of the 2003 Federal Appropriations Bill and Southeast Sustainable Salmon Fund monies, authorized under the Pacific Coastal Salmon Recovery Fund, made available by the work of Alaska Senator Ted Stevens.

The Revitalization Strategy is a multi-level, multi-year plan designed to spur increased productivity and innovation in the Alaska fishing industry by investing considerable resources into critical commercial fisheries infrastructure and capital improvement projects.

A key component within the Revitalization Strategy is the Fisheries Economic Development Matching Grant Program (Program), to be administered by the Alaska Department of Community and Economic Development (DCED). This Program is intended to assist communities, throughout the salmon fishing regions of Alaska, impacted by the downturn in the salmon industry. Assistance will be provided in the form of one-time grants to assist with the financing of fisheries-related infrastructure or economic development projects that have the potential to: (1) increase Alaska seafood/product quality, (2) increase Alaska seafood/product diversity and/or value, (3) increase industry efficiencies, or (4) lower costs within the industry.

There is approximately \$13 million available for grants under this Program. DCED is now requesting proposals from applicants interested in receiving one-time financial assistance (grant) under this newly established Program. Those interested in submitting an application under this Program are to follow the instructions provided in this Matching Grant Application Guide and must submit their completed application prior to 4:30 p.m. May 29, 2003.

## B. ELIGIBLE APPLICANT

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**DCED Expectation:** Eligibility (eligible applicant) is limited to

1. Government or non-profit organizations such as municipalities, tribal councils, other recognized governing bodies, or community/regional non-profit organizations representing communities that have been impacted by the downturn in the salmon industry. Accordingly, it is anticipated that the majority of the communities will be located throughout the salmon fishing regions of Alaska.
2. Small businesses including fishermen, fish processors, or related businesses serving the fishing industry. These applicants must demonstrate how they have been impacted by the downturn in the salmon industry. These applicants must also meet the US Small Business Administration definition of a small business. It is anticipated that private applicant projects will be located in or in close proximity to communities throughout Alaska located throughout the salmon fishing regions of Alaska.

**Applicant's Proposal:** An applicant's proposal (grant application):



- Must identify the applicant's organization; project director; and provide contact information including mailing address, phone, fax, and email.
- Must discuss the applicant's organization such as duration of existence, an organizational diagram, and lines of communication.
- Must discuss the applicant's experience with similar previous projects, the success of those projects, and current and/or on-going projects.
- Must identify the applicant's key personnel, previous experience, and ability to successfully complete this project. Individual resumes may be included as part of the applicant's proposal.

**Evaluation of Applicant's Proposal:** This section of an applicant's proposal (grant application) will be evaluated based on DCED's expectation and the applicant's proposal as discussed above and may receive up to a maximum of 20 points by each member of the Evaluation Committee during the evaluation process.

### **C. ELIGIBLE COMMUNITIES**

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**DCED Expectation:** Projects are limited to those that will benefit communities that have been impacted by the downturn in the salmon industry. Accordingly, it is anticipated that the majority of the communities will be located throughout the salmon fishing regions of Alaska.

**Applicant's Proposal:** An applicant's proposal (grant application):

- Must identify the communities and/or salmon fishing region(s) that will benefit from the project.
- Must describe the extent of the impact of the downturn in the communities and/or region by discussing recent economic indicators such as downturn in ex-vessel price, wholesale price paid to processors (if available), decline in permits fished, return to harvesters and processors, and declining economic activity for seafood related businesses.
- Must provide documentation from each community demonstrating community support. If the applicant is a local government, a resolution by the governing body is required. If the applicant is a non-profit organization, resolutions of support from the communities, cooperative agreement or memorandum of agreement between the applicant and the various local governing bodies are required. The applicant may submit proposed or draft documents with its application and approved documents must be received by DCED by June 12, 2003.

**Evaluation of Applicant's Proposal:** This section of an applicant's proposal (grant application) will be evaluated based on DCED's expectation and the applicant's proposal as discussed above and may receive up to a maximum of 20 points by each member of the Evaluation Committee during the evaluation process.



#### D. ELIGIBLE PROJECTS DESCRIPTION

**DCED's Expectation:** This Program is intended to assist communities throughout the salmon fishing regions of Alaska, impacted by the downturn in the salmon industry. Assistance will be provided in the form of one-time grants to assist with the financing of fisheries-related infrastructure or economic development projects that have the potential to: (1) increase Alaska seafood/product quality, (2) increase Alaska seafood/product diversity and/or value, (3) increase efficiencies and productivity, or (4) lower costs within the industry. Examples of potential projects have been grouped by the following categories:

- **Freezing and Chilling:** Projects would improve the quality of Alaska seafood by chilling or freezing. Projects may include the installation and/or expansion of slush ice bags, ice machines, or chilling gear; purchase and/or improvement to floating ice machine barges; additional equipment that improves access to freezing and chilling equipment.
- **Cold Storage Facilities:** Projects would improve the quality of Alaska seafood by building new and/or improve existing cold storage facilities.
- **Transportation and Distribution Network:** Projects would improve the quality of Alaska seafood by easing handling, increasing speed, and increasing efficiencies at key transportation nodes. Projects may include the installation and/or expansion of runway cooling systems, handling equipment, quality control equipment, freight consolidation facilities, and the chain of custody tracking systems and devices.
- **Processing Facilities and Equipment:** Projects would increase the quality, diversity, and value of seafood products. Projects may include the construction or improvement of seafood processing operations, processing equipment, fish by-product equipment, utility improvements to processing areas, and waste outfall lines.
- **Shellfish Mariculture:** Projects would improve the efficiency and productivity of shellfish farming. Projects may include nursery grow sites, transportation improvements, technological improvements, holding and processing capacity improvements.
- **New Fisheries Development:** Projects that seek to develop new fisheries in Alaska and may include test fishing, gear testing, and market research.
- **Marine Related Infrastructure:** Projects would increase seafood quality and efficiencies by improving existing or building new harbors, docks and other related marine infrastructure.
- **Airport Development:** Projects that would increase efficiencies, improve seafood quality and increase producers' access to valuable markets by improving existing or building new airport facilities and related infrastructure.
- **Other:** By no means should possible projects be limited to the above examples or categories. An application should be submitted for any project that develop fisheries-related infrastructure or economic development projects that have the potential to lower costs, increase product quality, increase product value and/or increase efficiencies for seafood economic activity.



- **Ineligible Projects:** Applications for initial start-up costs, operations and/or maintenance of existing or proposed infrastructure projects, feasibility studies are not eligible under this Program and will not be considered.

**Applicant's Proposal:** An applicant's proposal must provide a detailed and all-inclusive discussion of the project and should include but is not limited to:

- Detailed and concise discussion of every aspect of the project. This includes detailed milestones, completion date of each milestone, specific activities for completion of each milestone, and completion of entire project.
- Discussion of how the project meets "DCED's Expectations" items (1) through (4) and the specific category expectations (i.e. Freezing and Chilling, Transportation and Distribution, etc.).
- Detailed system design; engineering designs; technical specifications; and maps if applicable.
- Detailed information on locations, construction, expansions, modifications to new and/or existing structures, facilities, equipment, etc..
- Detailed information on initial construction and installation and continuing maintenance.
- Detailed discussion on environmental and industry impacts, special requirements, permits, certifications, and/or other pertinent necessary approvals.
- Detailed discussion of the project's feasibility. Include all potential obstacles in the current business environment that may hinder or halt the success of the project; ideas or areas of change that would improve the viability of the project; and any other unique characteristics and assumptions that may affect the project.

**Evaluation of Applicant's Proposal:** This section of an applicant's proposal (grant application) will be evaluated based on DCED's expectation and the applicant's proposal as discussed above and may receive up to a maximum of 20 points by each member of the Evaluation Committee during the evaluation process.

#### E. ELIGIBLE PROJECTS DURATION AND AMOUNT (BUDGET)

**DCED's Expectation:** Projects may range in duration from one to three years. For community or non-profit applicants, DCED's funding will not exceed 75 percent of the project's entire cost. Those applicants must provide at least 25 percent of the funding. Inability to support the 25% match requirement will be reason for immediate elimination from the application process. For small business applicants, DCED funding will not exceed 50 percent of the project's entire cost. Those applicants must provide at least 50 percent of the funding. Inability to support the 50% match requirement will be reason for immediate elimination from the application process.

This is a cost reimbursable grant program. The applicant will be required to expend funds and then seek reimbursement from DCED. If an applicant requires an initial advance, the applicant must declare it.



**Applicant's Proposal:** An applicant's proposal must provide a detailed and comprehensive budget that clearly identifies the entire cost of the project, with independent estimates as available. Discussion should include, but by no means be limited to the following items:

- Identify and project in detail any and all potential *direct* expenses. Examples include, but are limited to, facility modifications, construction costs, equipment purchases, materials, supplies, freight, transportation, payroll and benefits, and etc.
- Identify and project in detail any and all indirect expenses and/or indirect rate. An indirect rate shall not exceed 19 percent of actual direct payroll expenses, and it must be clearly identified.
- If the applicant's contribution includes an "in-kind" contribution such as the use of existing equipment, the monetary-value of the "in-kind" contribution must be based on industry-standards and documented in the applicant's proposal.
- Identify match funding e.g. revenue provided by any other source. Match funding may be obtained through private and/or public sources. Matches greater than that required under **DCED's Expectations** of this section are encouraged.
- Identify the expenses and percentage that are to be reimbursed (funded) by DCED and the expenses that are to be paid (funded) by the applicant or any other participant.
- Identify the timeframe and expense of equipment replacement and/or other improvements. Equipment depreciation and replacement schedules must be based on current industry rates and standards.
- Identify the amount and/or percentage of the amount anticipated as an initial advance from DCED; frequency of providing and example of summary financial reports on the entire project; frequency of providing and example of detailed information on expenses and revenue on the entire project.

**Evaluation of Applicant's Proposal:** This section of an applicant's proposal (grant application) will be evaluated based on DCED's expectation and the applicant's proposal as discussed above and may receive up to a maximum of 20 points by each member of the Evaluation Committee during the evaluation process

#### **F. ELIGIBLE PROJECTS LONG-TERM VALUE**

**DCED's Expectation:** This program is intended to assist communities and small businesses impacted by the downturn in the salmon industry by assisting with fisheries-related infrastructure or economic development projects that have the potential to lower costs, increase product quality, increase product value and/or increase efficiencies for seafood economic activity. Since DCED believes that this Program is a critical step towards revitalizing the salmon industry, the long-term sustainability and value of the projects is also pertinent.

**Applicant's Proposal:** An applicant's proposal must describe the long-term sustainability and expected return the project will generate by providing a detailed discussion on:



- How this project, short-term and long-term will increase: the overall value of the salmon in the consumer or food service market; profitability for the harvesting sector; profitability for the processing sector; value of economic activity in the identified Alaska communities.
- How this project will create greater product diversity.
- How the project will become self-sustaining in the short-term and long-term, and the built-in mechanisms to assure adequate returns for continued operation and maintenance.
- The overall economic contribution expected and built-in mechanisms to assure adequate returns
- For those projects, such as community cold storage facilities, that will be utilized by for-profit businesses, describe what relationship will be established between applicant and private sector entities describe mechanisms, either contractual or other, that assure proper maintenance, increased productivity and the capability for adapting to changes in the marketplace.

**Evaluation of Applicant's Proposal:** This section of an applicant's proposal (grant application) will be evaluated based on DCED's expectation and the applicant's proposal as discussed above and may receive up to a maximum of 20 points by each member of the Evaluation Committee during the evaluation process

#### **G. COMPLIANCE TO FEDERAL AND STATE REQUIREMENTS**

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**DCED's Expectation:** DCED is receiving the funding for this Fisheries Economic Development Grant Program from the State's Department of Fish and Game and the Office of the Governor whom are receiving funding from the U.S. US Department of Commerce, National Oceanographic and Atmospheric Administration.

Since federal money is involved, all entities submitting a proposal for a grant under this Program must understand that in addition to state requirements, the following federal requirements may also apply. And, successful applicants must comply with all state and federal requirements.

**Possible requirements for community and non-profit applicants:**

As a government entity receiving federal funding, the DCED and its sub-recipient grantees (applicant's) will likely be required to comply with:

- Section 3016.22 incorporates the Cost Principles dictated by OMB Circular A-87 or similar document..
- Section 3016.37 requires DCED to give notice of all federal requirements to its sub-recipients.
- Applicants in the arrears with the federal government for any money owed may not be eligible for grants under this Program.
- State of Alaska's Single Audit Requirement established under Alaska Administrative Code 2 AAC 45.010.



**Possible requirements for small business applicants:**

As a for-profit entity, receiving federal funding through a state government, the successful applicants (sub-recipients) will likely be required to comply with:

- Federal Title 7, Chapter XXX, Part 3015 enacted by Department of Agriculture (USDA) for non-government entities receiving federal funding.
- Section 3015.21 requires the applicant retain all record for 3 years.
- Section 3015.24 allows the USDA and the Comptroller General of the United States, access to any books, documents, papers, or other records of the applicant, which are pertinent to the grant.
- Section 3015.113 requires changes in scope, objectives, or key people have prior approval by the USDA.
- Sections 3015.163 through .173 discuss key terms regarding property and equipment acquired under the grant. When the property or equipment is no longer needed for the authorized purpose of the grant, transfer or disposal may be required with compensation made to the federal government.
- Section 3015.194 incorporates the Cost Principles dictated by federal Title 48, Chapter 1, Part 31.2 (also referred to as 48 CFR Part 31)
- Section 3015.195 identifies that there may be different and conflicting requirements between initial and sub-recipient grantees.

As an entity, receiving funding through a State of Alaska entity, the successful applicants (sub-recipients) must comply with the State's Single Audit Requirement established under Alaska Administrative Code 2 AAC 45.010.

**H. EVALUATION OF APPLICATIONS AND AWARD OF GRANTS**

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As of the release of this Application Guide, this Program is still evolving and not all aspects of this Program's funding have been authorized. Therefore, DCED retains the right to change this Program as need to comply with federal and/or state requirements that have not yet been identified.

The various processes for the initial review of the grant applications, evaluation of the remaining grant applications, and the award of grants is anticipated to be similar to the following:

- Prior to evaluating the grant applications, DCED will perform an initial review to identify grant applications that don't meet the minimum eligibility requirements, are incomplete, and/or have other problems. DCED at its sole discretion may contact the grant applicant for additional information and/or clarification or DCED may declare the application as



non-responsive and reject it in its entirety. If rejected, the grant application will be eliminated from the evaluation process and the applicant will be notified accordingly.

- The remaining grant applications will be forwarded to an evaluation committee. Each member of the evaluation committee will independently evaluate each grant application based on the criteria, evaluation factors, and numerical values identified in this Application Guide and summarized below:

Eligible Applicants	20
Eligible Communities	20
Eligible Projects -- Description	20
Eligible Projects -- Duration and Amount (Budget)	20
<u>Eligible Projects -- Long-term Value</u>	<u>20</u>
Maximum Possible Points	100

- The Evaluation Committee, at its sole discretion may decide if discussion with applicants, presentations by applicants, and/or site inspection are necessary. If held, members of the Evaluation Committee may change their individual scores based on the additional information.
- The individual Evaluation Committee members will have the opportunity to meet as a Committee to discuss the grant applications before and/or after their individual review and scoring. Members of the Evaluation Committee may change their individual scores based on these discussions.
- When the individual Evaluation Committee members have completed their scoring, the total points for each grant application will be determined. Those applicants receiving "sufficient points" will then be afforded the opportunity of entering into a Grant Agreement with DCED.
- "Sufficient points" will be determined at a later date and will depend on the number of applications received, the amounts being requested. Additionally, since this Program is intended to assist communities throughout Alaska's salmon fishing regions, DCED retains the option of ensuring the funding of projects funding is sufficiently balanced among the regions.
- DCED will provide each applicant with a list reflecting all applicants and the score of each.
- Unsuccessful applicants have up to 10 working days from the date of receiving notice, to provide a written appeal to DCED. DCED, at its sole discretion, may consider the appeal and will notify the applicant accordingly.
- Successful applicants will be afforded the opportunity to enter into a Matching Grant Agreement with DCED. There will be little to negotiate in the Matching Grant Agreements since the Matching Grant Agreements will basically incorporate the applicant's application. DCED reserves the right to partially fund an application.

### I. Grant Application Submission and Tentative Schedule

Approximate Dates

Activity



05/12/03                      Matching Grant Application Guide Available  
05/29/03                      Matching Grant Applications (Proposals) Received  
06/12/03                      Initial Matching Grant Applications Review and Evaluation  
06/13/03                      Grant Applicants Notified  
06/30/03                      Drafting Matching Grant Agreements

Those interested in submitting an application under this Program as discussed in this Application Guide must do so prior to 4:30 p.m. May 29, 2003.

The body of the application is to be presented in the same format as this Application Guide i.e. Eligible Applicant, Eligible Community, Eligible Project Description, etc. and is to consist of no more than eight (8) pages. Attachments to the body, such as resumes, detailed designs, estimates from others, resolutions, etc are in addition to the eight-page limit and are to be clearly identified.

Five hard copies of the entire application (body and attachments) are to be delivered to DCED at the below address by 4:30 p.m. May 29, 2003.

Debbie McBride  
Alaska Dept. of Community and Economic Development  
Division of Community and Business Development  
P.O. Box 110804  
Juneau, AK 99811-0804

Delivery-service (FedEx, UPS) application packages should be addressed to:

Debbie McBride  
Alaska Dept. of Community and Economic Development  
Division of Community and Business Development  
333 Willoughby Avenue, 9<sup>th</sup> Floor  
Juneau, AK 99811

Failure to meet the deadline will result in disqualification of the application and it will not be reviewed. Faxed, emailed, and/or or electronic versions of a grant application is not acceptable.

Questions. Contact Debbie McBride at the Dept. of Community & Economic Development in Juneau, (907) 465-2023 or [debbie\\_mcbride@dced.state.ak.us](mailto:debbie_mcbride@dced.state.ak.us).

Revitalization Projects, Economic Development/Harbor & Transportation

Organization	Contact	Phone	Fax	Address	City	Project	Funds Requested--high	Funds Requested--low
Alaska Fishermen's Products LLC	Bob Thorstenson					Salmon In a Pouch Facility In Kotchikan Wards Cove Plant	\$5,000,000	
Kotchikan Gateway Borough	Dick Adams	(907) 225-6651		dick.adams@borough.kotchikan.ak.us				\$1,500,000
Alaska Intertribal Council	Roland Shank	(907) 563-9334				Portable Incubation, Egg Planting and Rivor Fertilization Technology Improvement	\$1,300,000	\$200,000
Alaska Ocean Products	Jeff Knaut	(907) 350-1168		815 Tagura	Kodiak, AK 99615	Suspension Freezing Technology Implementation		
Alaska Seafood Connection	Glen Leason	(800) 867-7390	(760) 771-0988		Swordfisher@yahoo.com	Processing Facility In Kake/Advortsing	\$300,000	\$150,000
Alaska Shellfish Grower's Association	Rodger Painter				Rodgerpainter@hotmail.com	Aquatic Farming Infrastructure	\$750,000	
Alaska Shellfish Grower's Association	Rodger Painter				Rodgerpainter@hotmail.com	Devoloplng Species R&D	\$120,000	
Alaska Shellfish Grower's Association	Rodger Painter				Rodgerpainter@hotmail.com	Mariculture Development Planning	\$50,000	
Alaska Shellfish Grower's Association	Rodger Painter				Rodgerpainter@hotmail.com	Statewide Shellfish Aquaculture Development Plan	\$80,000	
Aloutians East Borough	Robert Juettner/Karen Montoya	(907) 274-7555	(907) 276-7569	3380 C Street, Ste 205	Anchorage, AK 99503	Aloutia Marketing Project: Sand Point Processing Infrastructure, Marketing and Expansion to King Cove and Nelson Lagoon	\$583,500	
Aloutians East Borough	Robert Juettner	(907) 274-7555				Cold Bay Airport Fish Hub Facility	\$750,000	
Armstrong Kota/Alaska Catch.	Bart Watson	(907) 586-3443				Pin-Bone Out Fillet Pilot Project at Port Armstrong Hatchery	\$590,000	
Annetto Island Packing Co.	John T. Sessions	(206) 587-4040				Tunnel Froozer		
Annette Island Packing Co.	John T. Sessions	(206) 587-4040				Fish Meal Equipment		
Bering Sea Fishermen's Association	Henry Mitchell	(907) 279-6519	(907) 258-6688	725 Christensen Drive, 3	Anchorage, AK 99501	Kotzebue Chum Salmon Project	\$434,000	
BuyNPack Seafoods	Dave Bowen			Buynpack@hoonah.net		Broker/Boxer/Shipper Facility	\$1,200,000	
Chignik Seafood Producers Alliance						Chignik Live Haul and Handling Project	\$190,000	
Chilkoot Fish Company	Rhonda Blough	(907) 283-3649				Processing Equipment to Service More Fishermen	\$210,000	
City of Collman Cove	Elaine Price	(907) 329-2233				Processing Equipment for Local Gillnetter's Facility	\$125,000	
City of Cordova						Airport Cooler	\$200,000	
City of Cordova						Boat Haul-Out Facility	\$700,000	
City of Craig	Dennis Watson, Mayor	(907) 209-1299				Cold Storage Facility	\$430,000	
City of Craig	Tom Briggs	(907) 826-3275						
City of Dillingham						Dillingham All Tides Dock	\$2,500,000	
City of Haines	Robert Venables	(907) 766-2231				40 Ton/Day Flake Ice Maker	\$160,000	
City of King Cove						Community Tank Farm	\$100,000	
City of King Cove						Spit Land Development	\$175,000	
City of King Cove						Power & Lighting for New Boat Harbor	\$200,000	
City of Kotchikan	Bob Woinstein, Mayor			334 Front Street	Kotchikan, AK 99901	Regional Community Cold Storage	\$5,000,000	

City of Kodiak	Linda Freed, City Manager	(907) 486-8640	(907) 486-8600	710 Mill Bay Road	Kodiak, AK 99615	Harbormaster's Dock Replacement	\$1,000,000
City of Kodiak	Linda Freed, City Manager	(907) 486-8640	(907) 486-8600	710 Mill Bay Road	Kodiak, AK 99615	Oscar's Dock Replacement	\$1,500,000
City of Kodiak	Linda Freed, City Manager	(907) 486-8640	(907) 486-8600	710 Mill Bay Road	Kodiak, AK 99615	St. Herman's Harbor Inner Harbor Replacement	\$500,000
City of Pelican	Duff Mitchell	(907) 735-2204				Vessel Purchase for Processed Salmon Transport to Juneau and Gustavus	\$151,500
City of Petersburg						Airport Cooler	\$200,000
City of Petersburg						Community Cold Storage Phase One (site selection, acquisition, design)	\$500,000
City & Borough of Sitka						Airport Cooler	\$200,000
City & Borough of Sitka	Hugh Bevan, Director					Sawmill Cove Industrial Site Dock	\$480,000
City of Skagway	Robert Ward, Mayor	(907) 983-2297	(907) 983-2151	P.O. Box 415	Skagway, AK 99840	Chinook Hatchery	
City of Skagway	Robert Ward, Mayor	(907) 983-2297	(907) 983-2151	P.O. Box 415	Skagway, AK 99840	Harbor Fish Transfer Facility	
City of Valdez	Dave Dengel, City Manager	(907) 835-4313	(907) 835-2992	Ddengel@ci.valdez.ak.us		Fish Meal Plant	\$950,000
	Bob Prunella	(907) 874-2381					
		(907) 789-1992/					
City of Wrangell	Terry Olness	(907) 635-6092 (c)		terry@mac.com		Economic Impact Study for Bradfield Canal Road to Canada	\$400,000
City of Wrangell/Wrangell Seafoods	Gig Decker	(907) 874-3110		P.O. Box 2138	Wrangell, AK 99929	Flash Freezer Unit/Value-Added Center	\$1,240,000
City of Wrangell	Bob Prunella	(907) 874-2381				Water Storage Capacity Improvement	\$83,010
City & Borough of Yakutat	Larry Powell	(907) 784-3355				Value-Added Processing Equipment	\$278,200
Department of Transportation						Chignik Ferry Dock Upgrade	\$250,000
Cook Inlet Salmon Brand, Inc. + Cook Inlet Aquaculture Association	Mark Powell	(907) 262-6355	(907) 262-6762	43335 Kalifornsky Beach Road	Soldotna, AK 99669	Port Graham Hatchery Capital Improvements	\$625,000
Cook Inlet Salmon Brand, Inc. + Cook Inlet Aquaculture Association	Mark Powell	(907) 262-6355	(907) 262-6762	43335 Kalifornsky Beach Road	Soldotna, AK 99669	Fillet and Pin Bone Removal Machines	\$300,000
Cook Inlet Salmon Brand, Inc. + Cook Inlet Aquaculture Association	Mark Powell	(907) 262-6355	(907) 262-6762	43335 Kalifornsky Beach Road	Soldotna, AK 99669	Fish Processing Equipment for Access to New Markets	\$250,000
Cook Inlet Salmon Brand, Inc. + Cook Inlet Aquaculture Association	Mark Powell	(907) 262-6355	(907) 262-6762	43335 Kalifornsky Beach Road	Soldotna, AK 99669	Cold Storage and Chilling Facility	\$1,700,000
Cook Inlet Salmon Brand, Inc. + Cook Inlet Aquaculture Association	Mark Powell	(907) 262-6355	(907) 262-6762	43335 Kalifornsky Beach Road	Soldotna, AK 99669	Miscellaneous Fish Processing Equipment to Improve Quality and Provide Access to New Markets	\$375,000
Cook Inlet Salmon Brand, Inc. + Cook Inlet Aquaculture Association	Mark Powell	(907) 262-6355	(907) 262-6762	43335 Kalifornsky Beach Road	Soldotna, AK 99669	Miscellaneous Fish Processing Equipment to Improve Quality and Provide Access to New Markets	\$975,000
Cook Inlet Salmon Brand, Inc. + Cook Inlet Aquaculture Association	Mark Powell	(907) 262-6355	(907) 262-6762	43335 Kalifornsky Beach Road	Soldotna, AK 99669	Small Stream Habitat Improvement	\$500,000
Cook Inlet Salmon Brand, Inc. + Cook Inlet Aquaculture Association	Mark Powell	(907) 262-6355	(907) 262-6762	43335 Kalifornsky Beach Road	Soldotna, AK 99669	Paint River Enhancement and Remote Research Facility	\$925,000
Cook Inlet Salmon Brand, Inc. + Cook Inlet Aquaculture Association	Mark Powell	(907) 262-6355	(907) 262-6762	43335 Kalifornsky Beach Road	Soldotna, AK 99669	Eklutna/Port Graham/Tulka Sockeye Enhancement Project	\$2,000,000
DIPAC w/Glacier Bay Feed	David Wilson	(907) 364-1511				Premium Pet Food from Late Run Salmon and Hatchery Waste	\$172,400

Juneau Economic Development Council	Lance Miller	(907) 463-5662				By-Product Development Incinerator	\$500,000	
Ellin Cove Community Association	Richard Burnham				Katlag, AK 99748	Fish Processing Plan/Ico Machines		
Katlag Fishermen's Association	Doug Sweal	(907) 534-2309		P.O. Box 125	Katlag, AK 99748	Salmon Stream Obstruction and Rehabilitation Analysis	\$3,000,000	
Kachemak Research Development, Inc	Larry Riley, Vice President	(907) 226-2400	(907) 226-2402	P.O. Box 15422	Frilz Creek, AK 99603	Smart Tag Project		
Mark Buckley						Draft Engineering Plans to Fix Eroding Access Road in Juneau (suffocating coho eggs)	\$25,000	
Mendonhall Valley Partnership	Cheryl Van Dyke	(907) 586-6853				Southeast Alaska Live-Haul Demonstration Project	\$100,000	
Northern Southeast Regional Aquaculture Association	John Bruns	(907) 755-2231				Bunkhouse for Interns	\$40,000	
Prince of Wales Hatchery	John Bruns	(907) 755-2231				Expand Water Lines to Generate Power and Reduce Electric Bills	\$57,400	
Prince of Wales Hatchery	Representative Paul Sealon	(907) 465-2689	(907) 465-3472	State Capitol Building	Juneau, AK 99801	Funding for Quotekcak Shellfish Hatchery		
Quotekcak Shellfish Hatchery	Paul Rusanowski	(907) 586-2459				Develop Enzyme Process to Turn Sockeye Roe into Caviar	\$66,000	
Raven Environmental + Alaska Seafood Company	Ray Wadsworth					Chignik Pin Bone Out Fillet Project		
Ray Wadsworth				Ray@pinboneout.com		Plans to Utilize Surplus Carcasses and Create New Markets	\$45,000	
Sheldon Jackson College Hatchery	David Harrington	(907) 747-5222				Wet Lab Upgrade w/Now Displays and Better Tour Group Access	\$246,200	
Sheldon Jackson College Hatchery	Len Lambert	(907) 747-5222				Planning Study for Regional Cold Storage Consolidation Facility	\$75,000	
Southeast Conference	Milani Clark Schjovens	(907) 463-3445 X27				Fisheries Business Incubator Investment Phase II: Value-Added Processing Equipment/Cold Storage Research and Design	\$612,000	
Valdez Fisheries Development Association	David Forbush	(206) 323-3200				Enzyme Installation to Turn Pink Roe from Sijiko to Caviar	\$1,750,000	\$1,050,000
Wards Cove Packing + Red Caviar Partnership	Gig Decker	(907) 874-3110				High Volume Conveying Tunnel Freezer	\$726,500	
Wrangell Seafoods	Sherril Cummins	(907) 874-33346	(907) 874-3035		641 Wrangell, AK 99929	Low-cost Housing for Plant Employees		
Wrangell Seafoods	Sharon Boyette	907) 274-7555	(907) 276-7569	3380 C Street, Ste 205	Anchorage, AK 99503	King Cove Landfill and Road Design	\$60,000	
Aleutians East Borough	Sharon Boyette	907) 274-7555	(907) 276-7569	3380 C Street, Ste 205	Anchorage, AK 99503	Energy Cost Reduction Grant Match	\$50,000	
Aleutians East Borough	Sharon Boyette	907) 274-7555	(907) 276-7569	3380 C Street, Ste 205	Anchorage, AK 99503	Aleutians Aviation System Plan/Air Service Evaluation		
Bristol Bay						Ico Machines	\$200,000	
City of Cordova						Fish By-Product Utilization	\$100,000	
City of Galena						Galena Boat Ramp	\$200,000	
City of Old Harbor	Percy Fisby, Chief Executive Officer	(907) 277-6442				Small Boat Harbor Renovation		
City of Seward						Harbor Expansion Completion	\$2,000,000	
City of St. George	Max Malavansky, City Administrator	(907) 859-2263	(907) 859-2212	P.O. Box 929	St. George, AK 99591	Harbor South Breakwater Repair	\$3,500,000	
City of Whittier	Leonard Jones	(907) 472-2323				Small Boat Harbor Repair	\$350,000	

City of Whittier	Loornard Jones	(907) 472-2323				Public Works Facility	\$3,000,000	\$2,500,000
City & Borough of Yakutat	Steve Henry, City Manager					Community Processing Corporation		
Cold Bay						Boat Launch	\$300,000	
Matsu Electric Association						Power Interline to West Cook Inlet	\$3,000,000	
Northwest Arctic Borough						Kotzebue Region Small Bridge Repair	\$150,000	
Old Harbor						Ice Plant and Support Facilities	\$2,500,000	
Nelson Lagoon						Boat Lift	\$500,000	
Nome						Economic Diversification	\$1,350,000	
Port Graham						Processing Plant	\$1,000,000	
Shishmaref						Erosion Control	\$500,000	
Skagway						Land Development	\$500,000	
St. Paul						Harbor Dredging and Expansion	\$1,000,000	
Wrangell						Economic Development	\$500,000	
Yukon River Drainage Association	Jill Klein	272-3130				Hydrolysate Barge		
Round Gold LLC	Sandro Lano, CEO	(907) 463-5863		Sandro@roundgold.com		Harbor Shoreside Infrastructure	\$380,000	
Sand Point						Airborne Geophysical Surveys	\$1,000,000	
Seward Peninsula & SW AK						King Cove Landfill and Road Design	\$60,000	
Alutians East Borough	Sharon Boyette	907) 274-7555	(907) 276- 7569	3380 C Street, Ste 205	Anchorage, AK 99503			
Alaska Queen Eyak/Fishermen's Market	Jody Lozori, President					Processing Equipment/Upgrades	\$149,000	
Adak	Lamar Colton	345-9952		ljcolton@gci.net		Harbor Development		
Kodiak Chamber of Commerce	Wayne Stevens, Exec. Director			P.O. Box 1485	Kodiak, AK 99615	High Protein/Low Ash Meal from Fish Wastes		
Port Bailly Wild Enterprises, LLC	Jaymie Mitchell, General Manager	(907) 487-4430		P.O. Box 4349	Kodiak, AK 99615	Port Bailly Cannery Improvement		
City & Borough of Yakutat	Steve Henry, City Manager	(907) 784-3323	(907) 784-3281	P.O. Box 160	Yakutat, AK 99689	Floating Fuel Dock	\$600,000	
City & Borough of Yakutat	Steve Henry, City Manager	(907) 784-3323	(907) 784-3281	P.O. Box 160	Yakutat, AK 99689	Fender Piles System of Ocean Cape Dock Repair	\$65,000	
								66,959,710.00

Economic Development	73,114,710
Research	2,843,500
Education	3,592,555
Marketing	2,822,977
Miscellaneous	1,390,706
Total	83,764,448

**KEY**

**CAMPAIGN,**

**2003**

SFIN

FILE

And **WHY** are we here in Juneau?

Did you know?

- Today, over 1,200 individuals with developmental disabilities are on the State's Wait List for critical community services.
- The average wait is 3-5 years - often a direct cause of broken families and out-of-home placements.
- There is a huge cost savings when a family's needs are met when they first arise.
- The average costs for adults with disabilities to live in the community are half of what it costs to live in a nursing home or institution.

All of the above are facts based on research and data. Community supports make sense, both fiscally and programmatically, and that's why we're here in Juneau.

We believe that children should remain at home with their parents, with adequate supports to assist mom and dad with the special challenges and stresses that can be a part of disabilities.

We believe that adults with disabilities have a right to live in neighborhoods of choice; to have meaningful jobs; to have opportunities to contribute back to their community; to live a life of dignity and value.

So we ask your help. We need our Governor and Legislature to be certain that the Family of Alaska includes people with disabilities. We need modest assistance with a progressive, systematic drive and commitment from both, to end the Wait List **NOW!** Please join us as we march, rally, and advocate. Tell our elected officials that you believe in the dream of this Key Campaign - that **COMMUNITY** is for everyone and that the time to end the waiting is now.

Thank you on behalf of our families, our children, adolescents and adults who experience disabilities.

For 16 years, the Key Campaign has united people from across Alaska. We have brought together consumers, families and service providers to advocate for those who still wait for services.

In the beginning we were a small group. Every year we have grown. We now have local chapters throughout rural and urban Alaska, and we continue to grow. We have traveled to Juneau for 16 years and will continue to travel to Juneau for as long as it takes- for as long as people are forced to go without supports; for as long as the bureaucracy chooses to look at faceless statistics instead of human beings in need; for as long as families disintegrate in the reality of inadequate supports. The Key Campaign will be in Juneau. And afterward we will go back to our communities across Alaska and tell the people who wait why the bureaucracy fails to respond.

Please join us at the  
**Capitol Steps Rally**  
February 26, 2003  
At 12:00 noon

Please be one of those who chooses to help.

Please be one of those who sees the need and realizes the advantage of keeping together; who realizes the economic advantage of helping people become self-sufficient. Please join us as a member of the Key Coalition of Alaska.

## *Key XVI Campaign 2003*



*One Road*

*February 24, 25, 2003  
Juneau, Alaska*

*Community is the Key for  
individuals who experience  
developmental disabilities*

## What is the Key Coalition?

The Key Coalition is a statewide coalition of supporters, friends and advocates of Alaskans who experience developmental disabilities. They believe that the community is a place for all of us to forge our lifestyles, plan our future, experience friendship and love, recreate, work and dream! Community is the key that makes all of this happen for everyone. That's why the symbol of this coalition of people who advocate for an inclusive community is the **KEY**.

The four basic beliefs of the Key Coalition are:



Community is truly a place for everyone.



Individuals who experience a disability have a need AND a right to live in the community.



Individuals and their families must be empowered to assume a meaningful role in their neighborhoods, wherever they choose to live in Alaska.



And, it is a primary responsibility of government to provide realistic, non-intrusive, non-segregating, community for **ALL** of its citizens, not just a select few.

The Key Campaign is Alaskans caring about Alaskans forging the way toward equal opportunity, accessibility, and an inclusive community for everyone who experiences a disability.

# COMMUNITY, That's what it's all about!



**COMMUNITY SERVICES ARE THE KEY FOR INDIVIDUALS WHO EXPERIENCE A DEVELOPMENTAL DISABILITY**



### Residential Supports

Accessible Housing  
Individual Leases/Home Ownership  
Low Interest Loans

### Employment Supports

Subsistence Activities  
Community Jobs  
Job Training

### Home Modifications

Ramps  
Accessible Bathrooms  
Stair Climbers

### Family Support Project

Family Resource Specialist  
Task Centered, Short Term Supports

### In-Home Supports

Respite  
Personal Care Attendants  
Chore Services  
Specialized Equipment

### TEFRA

Children Staying at Home



**Please,  
Support the  
Key Campaign!**



THE  
FOLLOWING  
DOCUMENT(S)  
ARE  
POOR  
ORIGINAL  
COPIES

Shirley Evans/Gerald Voigt  
16431 St. James Circle  
Anchorage, Alaska 99516  
(907) 345-5163

RE: Lieselotte (Lilo) Evans-Voigt

Lilo is learning to care for herself, be a contributing member of a household and develop appropriate social relationships. For a 16 year old this may not seem like much to accomplish but I see my child making strides I never thought possible.

Lilo was born with multiple disabilities. Without Medicaid we could not have afforded her medical care. Major surgeries she's had include: 3 brain surgeries, spinal surgery to address severe scoliosis, and this past summer she had a toe on each foot amputated. In spite of all this, Lilo hikes, rides a bike 4 miles, ice skates, roller blades, and swims. She engages in one of these activities on daily basis, as we know how valuable these recreational skills are for improving coordination, balance, visual attendance, and gross/fine motor skills. As well there is also the pleasure she derives from movement, fresh air and the sense of accomplishment.

Lilo is severely autistic, has significant mental retardation, behavioral issues, is legally blind, incontinent, cannot talk and needs help with each and every thing she does. As parents all of us feel very protective regarding our children. I cannot imagine anything worse than watching your child being beaten. Far more times than I can count we witness and deal with this nightmare. Lilo engages in self-injurious behaviors that cause broken bones, bruises and blood. The damage she has sustained to her brain, body and senses is heart wrenching and depressing. Without services, which have allowed us to develop a team around Lilo's needs, I doubt she would be living with us. Though parenting Lilo is emotionally draining, losing her would be far, far worse. Thanks to Lilo's Medicaid Waiver, we have the help needed to set up and carry out a behavior management plan to teach her more appropriate communication and self-control. This requires expertise, hands on support and constant monitoring.

Caring for Lilo and assisting her in learning daily activities is complex. Every activity needs to be carefully considered and strategies developed that can be understood by Lilo and consistently followed by family and care providers. Every teaching goal needs to be examined as if we could think as Lilo does - Could she use this to injure herself? Will this help her or make our lives more difficult? For example, teaching her "sign language" for "more" began a self-injurious behavior of slamming her fists together with such force and intensity that her knuckles are permanently swollen and scabbed over.

In the past year, Lilo has begun doing household chores with hand over hand assistance from her care providers. Her younger sisters, Morgane, who is 13 years old, and Sophie, at 9, are ecstatic and feel it is long overdue. Lilo's list of what she can do is growing and includes: setting the table for dinner; helping prepare her lunch and snacks, filling and emptying the dishwasher; vacuuming the living room; cleaning the glass door; putting laundry into and out of the washer and the dryer; and sorting clean laundry. The assistance Lilo requires diminishes as she learns the steps involved in each of these chores. Eventually it is plausible she will be doing many of these activities independently as she has a talent for learning routines and responds very well to praise. Maybe someday she will even have a job!

I wish I could tell you Lilo will not require any more surgeries and that she is moving toward full independence. That is not true. She will need lifelong care in all areas. As parents we are doing everything possible to raise our daughter within her family. It is obvious without supports from our Medicaid Waiver this would be an impossible task for anyone. When you are deciding about changes to the Medicaid program please think of Lilo and ask yourself what her life would be like without her loving family, caring team and supportive services. We invest tremendous effort into creating a "good" life for our daughter and will continue to do this with your support. Not only does the Medicaid Waiver plan give Lilo opportunities to reach her potential and contribute; it is by far the most cost effective, humane and sensible approach. The cost to care for our daughter out of her home would exceed \$300,000 per year. Imagine what kind of life she would have in an institution where she would likely be drugged and restrained in a bed much of the time. Currently, Lilo has a varied, full life where she engages in pleasurable activities, helps within the family, continues to learn, and is dearly loved and valued by many people. All of this is possible due to services she receives from her Medicaid Waiver at a cost of \$65,000 per year. 17% of Medicaid recipients are comprised of people, like Lilo, with lifelong disabilities. The decisions you as legislators make determines not only the care they will receive but also shapes our society. Please ask yourselves what kind of assistance you'd want for your loved ones or yourselves. The services you judge our children as deserving; defines you as a legislator and as a person.

Thank you!

Butterworth  
Room

Intro 1. Maureen McClone - Anchorage

Key Condition

2. Wynn Levitt - Homer

3. Cary and Viron Webb and Jamie Polty - Anchorage

4. Kathy Marley - Fairbanks

5. Millie Ryan - Anchorage

6. Shirley Evans - Seward

7. Carla Norman and Cat Thompson - Seward

8. Debra Babcock - Fairbanks

9. Jason Scott - Eagle River

10. Maureen McClone - Anchorage

**KEY  
CAMPAIGN,  
2004**

**SFIN**

**FILE**



*Aaron with his sister at the fair*

Five year old Aaron was informally diagnosed with autism by the Infant Learning Program at age 2; without their intervention, we would have probably remained in denial of his developmental disability, missing the best ages (2-6) to intervene with treatment. After formal testing by a pediatric neurodevelopment specialist, Dr. Brennan, we were led to the IEI (Intensive Early Intervention) program, state-funded & led by Dr. Todd Risley of UAA. When this program lost its funding, we were forced to find, organize, and deliver our own Autism program led by Dr. John McEachin from Seal Beach, California. We have three highly trained therapists that work with Aaron 20+ hrs a week in addition to 20 hours of special education pre-school.



*Aaron at the fair*



*Aaron with siblings*



*Aaron with sister*

Our only state funding is through the Respite program for one of the three therapists at a time (we have had ten home therapists over the last 2 years; only three have used our minimal respite hours). No state money is allotted for the two-day, very expensive, on-site work sessions by Dr. McEachin (four times a year). This program has drained all our savings and working capital. We live pay-check to pay-check, watching these proven intervention efforts bring Aaron out of his autistic world, and hopefully out of special education, allowing him to mainstream with normal peers for the remainder of his life. This means that he **WOULD NOT BE A BURDEN** on the State after these formative years.

**Information, intervention, and funding are the keys to success for autistic children**



*Aaron in treatment w/ trained ABA therapist.*



*Self-portrait with Dr. McEachin & Potato heads*



**Do Complex Medical Care Waviers  
make a difference?**

**To five year old Claire Turnbough  
and her family they do!  
Fairbanks, Alaska**



**Claire gives the  
smile of approval  
as she tries out  
her own new bed!  
October, 2003**



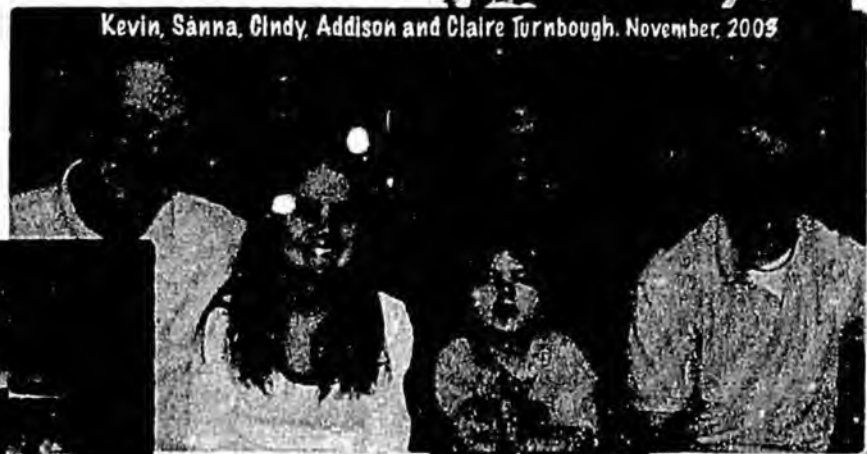
**Claire recovering from surgery at  
Providence Hospital, February, 2003**



**Claire receives final  
fitting for her new  
orthotics at  
Shriners Hospital,  
Portland, OR Jan., 2004**



**Claire gets flocked wearing her big brother's  
sunglasses at home, June, 2003**



**Kevin, Sanna, Cindy, Addison and Claire Turnbough, November, 2003**



**Claire adjusting  
to her body cast  
following a double  
hip surgery at  
Shriners Hospital,  
Portland, OR  
Dec., 2003**



**Claire loves  
reading books  
at home**



**Like every Alaskan  
Claire loves being outside  
in the wonderful  
summer weather  
in Fairbanks,  
thanks to her KIDCAP  
Aug, 2003**

**WHY** are we here in Juneau?

Did you know:

Nearly 1,500 individuals are on the State's Wait List for developmental disabilities community services.

The average wait is 3-5 years – a common cause of broken families and out-of-home placements?

There is a huge cost savings when a family's needs are met when they first arise.

The average costs for adults with disabilities to live in the community are half of what it costs to live in a nursing home or institution?

Community supports make sense, both fiscally and programmatically, and that's why we're here in Juneau.

We believe that children should remain at home with their parents, with adequate supports to deal with the special challenges and stresses.

We believe that adults with disabilities have the right to live in neighborhoods of choice; have meaningful jobs; have opportunities to contribute to their community; live a life of dignity and value.

We ask your help. We need our Governor and Legislature to assure that the Family of Alaska includes people with disabilities. We need a commitment to end the Wait List NOW! Please join us as we march, rally, advocate. Tell our elected officials that you believe in the dream of this Key Campaign – that **COMMUNITY** is for everyone and that the time to end the waiting is now.

Thank you on behalf of our families, our children, adolescents and adults who experience disabilities.

For 17 years, the Key Campaign has united people from across Alaska. We have brought together consumers, families and service providers to advocate for those who still wait for services.

In the beginning we were small, but we've grown every year. We have chapters in rural and urban Alaska. We have traveled to Juneau 17 times and we will continue to travel to Juneau for as long as it takes- for as long as people are forced to go without supports; for as long as the bureaucracy chooses to look at faceless statistics instead of human beings in need; for as long as families disintegrate in the reality of inadequate supports. And afterward we will go back to our communities across Alaska and tell the people who wait why the bureaucracy fails to respond.

Please join us at the  
**Capitol Steps Rally**  
March 3, 2004  
At 12:00 noon

Please be one of those who sees the need and realizes the advantage of keeping together; who realizes the economic advantage of helping people become self-sufficient and who chooses to help. Please join us as a member of the Key Coalition of Alaska.

## *Key XVII Campaign 2004*



### *Building Community Together*





*March 2 and 3, 2004  
Juneau, Alaska*

*Community is the Key for  
Alaskans who experience  
developmental disabilities*

## What is the Key Coalition?

The Key Coalition is a statewide coalition of supporters, friends and advocates for Alaskans who experience developmental disabilities.

### Key Coalition basic beliefs:

-  Community is truly a place for everyone.
-  Individuals who experience a disability have a right to live in the community.
-  Individuals and their families must have the power to assume a meaningful role in their community.
-  Government has a primary responsibility to provide realistic, non-intrusive, non-segregating, community for ALL of its citizens.

The Key Coalition advocates for equal opportunity, accessibility, and inclusive communities for all Alaskans who experience disabilities.

## COMMUNITY, That's what it's all about!

*Community services are the most cost-effective way of providing services*

COMMUNITY SERVICES ARE THE KEY FOR INDIVIDUALS WHO EXPERIENCE A DEVELOPMENTAL DISABILITY

*Community services support over 2100 people in 197 communities.*

### Residential Supports

Accessible Housing  
Individual Leases/Home Ownership  
Low Interest Loans

### Employment Supports

Subsistence Activities  
Community Jobs  
Job Training

### Home Modifications

Ramps  
Accessible Bathrooms  
Stair Climbers

*Community services help people become self sufficient*

### Family Support Project

Family Resource Specialist  
Task Centered,  
Short Term Support

### In-Home Supports

Respite  
Personal Care Attendants  
Chore Services  
Specialized Equipment

### TEFRA

Children Staying at Home

*Community services contribute back to the economy*

Please,  
Support the  
Key  
Campaign!



Thanks



# For Being the Key to My SUCCESS....

My name is Aubrey and I'm two years old. I've been receiving services under the Children with Complex Medical Conditions (CCMC) waiver through FOCUS Inc. for the past year. And oh, what a year it's been! I've gained 7 ½ pounds and grew 4 inches. I've learned how to sit up, crawl and pull myself up on the furniture. I only had to stay overnight at the hospital five nights, we went to the emergency room a couple of times, but they let me go home with my Mom and Dad. I didn't have to have any surgeries this year! I was even healthy enough to visit my other Mom, Dad, sisters and brothers in the village. I have so many people who love me, care for me, support me, teach me and keep me safe. Some people come to our house, but Mom has to drive me to my other places. They watch my weight and how much I eat, take pictures of my heart, give me shots and take my blood - not fun. They're also teaching me to eat, walk and talk, I'm learning sign language and how to play with other kids. Now that's fun. I love Elmo and Nemo, looking at books, taking baths, listening to Mozart and playing with all my toys. When my Mom and Dad need a break, I go to Saige's house. She's my respite provider and she's really nice. The nurse from FOCUS told Mom that I have the CCMC waiver for another year, as long as there is money. I know I'm getting all the help I need, but there are other kids who need help and have to wait. Please don't make them wait: they need help, too.

Thanks again, and we'll see you next year,

Aubrey

1. Emily Ennis, Fairbanks
2. John Harris, Wasilla
3. Cindy Turnbough, Fairbanks
4. Pat, Eniseida & Rob Buongiorno
5. Kim Simpson & Aubrey  
Chugiak
6. Dennis Haas, Soldatna & Roger Landell  
Kena.
7. Cyd Bantee, Anchorage
8. Steve Lesko, Anchorage
9. Emily Ennis, Fairbanks.

A little help goes a long way ...



Support Alaskans with developmental disabilities

A message from the Key Coalition of Alaska 333-7295 or [airstrip@gei.net](mailto:airstrip@gei.net)

A little help goes a long way ...



... in building community one life at a time

Support Alaskans with developmental disabilities

A message from the Key Coalition of Alaska, 333-7295 or [airstrip@gci.net](mailto:airstrip@gci.net)




**Qualified childcare for  
medically fragile infants**

**— so parents can re-  
base with their other kids.**

**We build communities one life at a time.**

A message from the Key Coalition of Alaska 333-7295 or [airstrip@gci.net](mailto:airstrip@gci.net)



Inclusion: a basic ingredient...

for building community, one life at a time.

Support Alaskans with developmental disabilities.

A message from the Key Coalition of Alaska, 731-7295 or [alaska@kci.net](mailto:alaska@kci.net)

**LONGEVITY  
POLICY  
CHANGE,  
2/27/03**

**SFIN**

**FILE**

# Alaska State Legislature

## Legislative Affairs Agency

Office of the Executive Director

Terry Miller Legislative Office Building, Room 217

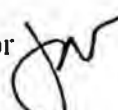
Mailing Address: State Capitol, Rm. 3 Juneau, Alaska 99801-1182 Phone (907) 465-3800 Fax (907) 465-3234



### MEMORANDUM

FEB 07 2003

TO: Senator Lyda Green, Co-Chair, Senate Finance Committee  
Senator Gary Wilken, Co-Chair, Senate Finance Committee  
  
Representative John Harris, Co-Chairman, House Finance Committee  
Representative Bill Williams, Co-Chairman, House Finance Committee

FROM: Pam Varni, Executive Director 

DATE: January 25, 2003

SUBJECT: Change in Longevity Policy

**The Senate/House Employment Policy that has been in effect since 1988 has worked well with the exception of the longevity steps of J-M. According to the policy "Steps J-M will be granted in accordance with AS 39.27.022."**

**AS 39.27.022(d) permits a committee of the Legislature to determine whether longevity pay increments will be granted under AS 39.27.022 to employees under the authority of that committee.**

Because of the problems we have had over the years with this section and also to retain professional long-term staff without penalizing them when they switch ranges because of budget constraints or the individual Legislator does not have that range available to them attached is a proposed new longevity policy.

For example, what happens to a staff person with longevity is they might be at a Range 19K and then be lowered to a Range 17. According to the existing policy we must place them at a Range 17F and not a 17K. This is because the policy states continuous service.

**The House and Senate Finance Committees are respectfully requested to make this change in the longevity policy.** Other committees will be asked to adopt this same policy so it is consistent throughout the Legislative Branch. House and Senate Rules Committees adopted the new policy on February 3 and 4, 2003.

Also attached is a memo from Tam Cook, Director of Legal Services agreeing that this portion of the policy can be changed by a legislative committee.

Enclosures

### SENATE FINANCE COMMITTEE MOTION

MOTION: I move that the Senate Finance Committee not adopt AS 39.27.022 – Pay increments for longevity for State service but instead adopt their own plan which better applies to legislative service. This new policy is before the Members and would be effective January 16, 2003.

### HOUSE FINANCE COMMITTEE MOTION

MOTION: I move that the House Finance Committee not adopt AS 39.27.022 – Pay increments for longevity for State service but instead adopt their own plan which better applies to legislative service. This new policy is before the Members and would be effective January 16, 2003.