

ALASKA LEGISLATURE

HOUSE and SENATE FINANCE COMMITTEE FILES, 2005-2006 2957

INSURANCE JOURNAL

30% Commission

West News

Ten Small Alaska Communities Drop City Insurance

December 8, 2004

Ten small Alaska communities have discontinued their municipal insurance because of declining assistance from the state and rising insurance and fuel costs.

Another dozen could follow within the next few months, said Kevin Smith, executive director of the Alaska Municipal League Joint Insurance Association.

Smith would not release the names of the communities affected, but the league confirmed that Juneau is not one of the 10 cities.

The league's insurance program covers workers' compensation, natural disasters, third-party injury liability and other costs for about 134 Alaska cities, boroughs and school districts.

Gov. Frank Murkowski vetoed \$22 million in municipal revenue sharing last year that had helped many communities pay insurance costs. Combined with the rising costs of fuel, the cuts have made it impossible for some cities to continue paying.

"In the past when they could count on a municipal assistance and revenue-sharing check, we'd carry them until the state checks were cut," Smith said. "They can't pledge zero, so I can't carry them. We carried them as long as we could and finally had to pull the plug."

In an effort to offset the cuts, Murkowski sent \$15 million to cities that same year in one-time federal money from President Bush's Jobs and Growth Tax Relief Act, with minimum payments of \$40,000 going to smaller communities.

This year Murkowski is asking the Legislature to approve \$6.8 million in aid for about 125 small, rural communities.

The program would provide \$25,000 for communities with fewer than 100 residents, \$50,000 for those with 100 to 500 residents and \$75,000 for those with 500 to 1,200 residents. The program is intended to offset rising fuel costs.

But it is unlikely that the revenue-sharing program will be reinstated this year as it existed before the cuts, said Becky Hullberg, a Murkowski spokeswoman.

"Things are still open," she said. "We are still considering alternatives. The state this year will have some very important priorities, education being one of them. It is unlikely that insurance for cities would rise to that level. But the governor has recognized the needs of some of the smaller communities due to the disproportionately high cost of fuel and is making an effort to address those needs."

The municipal league has made the reinstatement of some form of revenue sharing for cities its top priority this legislative session, which begins in January, according to program and policy coordinator Kathie Wasserman.

Insurance costs have increased substantially, according to Mike Black, director of the state's Division of

Community Advocacy.

Communities without insurance would have to appeal to the Legislature, Alaska's congressional delegation or some other state or federal agency for assistance, according to Black. He said he has advised communities with municipal employees to maintain their workers' compensation insurance policies because injured workers can sue the city, resulting in large court settlements.

"It's required under state law that an employer have workers' compensation insurance," he said. "We tell them that's something you have to retain."

Find this article at:

<http://www.insurancejournal.com/news/west/2004/12/08/48327.htm>

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Kevin Smith

From: "Annie McIlvain" <annie@akml.org>
To: "Kevin Ritchie" <kevin@akml.org>; "Kathie Wasseman" <kathie@akml.org>; "Kevin Smith" <kevins@amljia.org>
Sent: Monday, December 20, 2004 3:59 PM
Subject: homer news

HOMER
TRIBUNE

Editorial



Insurance woes taking toll on Alaska

By John Crowder
Homer Tribune

Alaska is not the only state of the union facing rising health insurance costs, but here in the far north we rank among the most uninsured in the nation. While we are only a microcosm of a much larger problem, it is clear that health care and insurance racketeers are pushing Alaska into the red.

Hikes in long-term care and Medicaid and prescription drugs

are also on the rise, according to a recent study sponsored by the Pew Charitable trust. The study showed that 22 percent of adult Alaskans are without health insurance. Although Alaska's Denali Kid Care program covers a significant number of children under 18 – boosting our national ranking to 35th – close to a fourth of our population is using the Medicaid system.

Insurance gouging is meanwhile taking a tremendous toll on local Alaska governments, and the state's decision to bail out our school system from rising costs likely kept them from deficit spending. Ten small communities in our state have recently discontinued municipal insurance plans because of rising costs and lack of state assistance. Many more are expected to do the same in the near future, according to reports from Alaska Municipal League. This type of insurance covers everything from natural disasters to workers' comp. Such a trend is opening communities up to enormous liability.

Homer is having its own budgetary problems. But will more state revenue sharing be the key to bailing communities out of this insurance bind? I believe the problem demands a more comprehensive overhaul at the

federal level.

The ramifications of these hikes are that insurance companies are allowed to cause rampant reductions in every other area of government spending, to make up the difference. The state's Health and Social Services budget has skyrocketed, causing infiltration into other departmental budgets. The city of Homer's Public Employee Retirement System and workers' comp levels are going through the roof, a large reason for the city's need to cut other areas of spending and boost fees in various departments. But where is the accountability for insurers and health care providers? That is the question that people are asking nationwide. While health care was a major focus in the recent election, one must concede that each political party has its hands in the pie. It appears that antitrust violations will simply continue as long as special interest partisan politics flourish.

Obviously, mere criticism will not do any good. And granted, there are a number of virtual epidemics that play into the problem, from the spread of HIV/AIDS to America's obesity rate and aging populous. In Alaska, health care providers also face tremendous travel costs in many cases. Perhaps there is more complexity to the situation than a few big wigs sitting in a smoky penthouse trying to concoct ways to gouge the commoner. Yet, neither can we deny the big money lobbying that keeps America uninsured.

Unfortunately, it will probably take even more individuals and corporate entities pulling out of the insurance grid altogether before regulators are willing to affect any meaningful change.

Meanwhile, what do we do? Splint our own broken bones and cross our fingers that nobody sues the pants off the city for slipping on the sidewalk?

Well, perhaps it's not that bad. We must acknowledge, with all its flaws, that at least we have a health care system that functions. There are plenty of countries that would gladly pay out the nose just to have a hospital available in every community. On that note, Homer and the rest of America is truly blessed to have the health providers that it does. Until there is change on the horizon, Alaskans will just continue to do the best with what they have.

Annie Melvain

Director of Member Services

Alaska Municipal League

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Anchorage Daily News

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Longtime VPSO commits suicide

RUSSIAN MISSION: Simeon Askoak, 50, was found dead Friday.By LISA DEMER
Anchorage Daily News*(Published: April 10, 2005)*

A respected, longtime village public safety officer in Russian Mission killed himself Friday evening, Alaska State Troopers said.

Simeon Askoak, 50, was from the village and for the last 13 years served as its public safety officer, earning the rank of sergeant. He was highly trained and very capable, one of the very best village public safety officers, Alaska State Troopers said.

"It's a huge loss to law enforcement in the state of Alaska to lose someone like Simeon, and it's an even bigger loss to lose him as a friend," trooper Karl Main said from St. Marys, the trooper post that oversaw Askoak's work.

Authorities are certain that Askoak committed suicide but did not want to discuss any information that might explain why he took such a desperate path, troopers spokesman Greg Wilkinson said Saturday.

Between 5 p.m. and 7:30 p.m. Friday, Askoak took his handgun, went about 100 yards from his home and shot himself once in the chest, according to initial findings from troopers.

Troopers in Bethel were notified around 8 p.m. that he had been found dead. Troopers from Aniak investigated the death, Main said. Askoak left a note saying that he was proud of and loved his family, Wilkinson said.

Askoak was married and had children, according to Main.

Trooper Lt. Pete Mlynarik and Sgt. Perry Barr traveled from Bethel to Russian Mission on Saturday to help the family, Wilkinson said. The Association of Village Council Presidents' VPSO coordinator also went to provide support.

"It's just a shame," Wilkinson said.

Village public safety officers are often the first to respond to trouble in villages without trooper posts. They aren't paid as much as troopers and don't carry firearms, but they can stabilize volatile situations and investigate minor crimes and even some felonies, with trooper oversight.

Russian Mission is a Yup'ik village of about 300 people on the Yukon River, about 70 miles northeast of Bethel.



Russian Mission Village Public Safety Officer Simeon Askoak killed himself Friday night, troopers say. *(Photo by Marc Lester / Anchorage Daily News archive 2004)*

Main had worked with Askoak since transferring to the St. Marys post in January 2004.

"He was the most approachable, one of the most hardworking VPSOs I've ever had the pleasure of meeting," Main said.

Askoak was friendly, liked to joke around and looked on the positive side of things, Main said. When troopers were in town, Askoak and his wife would bring them dinner.

But it was a hard job. Askoak recently had to investigate an immediate family member. He was supposed to calm down intoxicated people, stepping alone into volatile situations that urban police go into armed with backup.

In March, with Main bogged down on other cases, Askoak took the lead investigating a rash of burglaries in the Russian Mission area. When Main got to town, Askoak had made diagrams of the crime scenes and conducted preliminary interviews.

"The only thing I had to do was talk to the suspect, who he had already been able to identify," Main said.

Every case was like that, Main said. Askoak would meet troopers at the airport, drive them where they needed to go and let them know who would be helpful to talk to, Main said.

Lately, Askoak paid for the office heating fuel, long distance phone calls and faxes out of his own pocket because of local budget troubles, Main said.

"That was how serious he took the job," the trooper said.

Around 3 a.m. Friday, Askoak asked troopers for help with a combative, drunken man. But they couldn't get out there right away, and soon he called back and said the man's family had managed the situation.

"Simeon was someone who never ran away from it. He did what he needed to do," Main said.

In 1994, Askoak helped to organize a project intended to help curb teen suicide, alcoholism and pregnancy. The village received an \$11,500 suicide prevention grant that year.

With his suicide, "it's obvious something was going on that some of us may not have been aware of," Main said.

Daily News reporter Lisa Demer can be reached at ldemer@adn.com and 257-4390.

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Mayors: Cities on verge of disaster

Pending legislation may give towns relief

More than 50 Alaska mayors and city officials flew to Juneau this week to deliver the message to lawmakers that, thanks to lack of financial support from the state, cities are "disintegrating."

Members of the Alaska Conference of Mayors reported that nine cities have shut down, 18 are deep in debt and 39 cities are terminating key local services, such as police protection or road, utility and facility maintenance.

"It's like we are going up the creek without a paddle," said New Stuyahok city administrator Mitch Chocknok.

Hydaburg was listed as dangerously close to going bankrupt. Angoon, Pelican and Tenakee Springs have made significant reductions to core services.

One cost handicapping most of Alaska's 162 municipalities is paying for the public employee and teacher retirement systems, commonly referred to as PERS and TRS.

Poor performance in the stock market, underestimating future costs of health care and the rising number of retirees have created a \$5.7 billion hole in the state system.

Cities are expected to make up the difference by paying increased rates every year.

Skagway will pay a \$72,000 increase this year and \$150,000 more in 2006. More populated areas, such as the Matanuska-Susitna Borough will pay an extra \$800,000.

Some municipalities have used property taxes to account for the increases.

The conference of mayors is supporting a handful of bills they believe will give cities relief.

The Senate recently passed a bill that will at least stop the retirement system deficit from growing beyond \$5.7 billion.

Among several changes, Senate Bill 141 asks employees to pay an additional 0.5 percent of their paychecks for the pension. Current state law requires teachers to contribute 8.65 percent for retirement benefits, firefighters and peace officers to pay 7.5 percent, and other employees to pay 6.75.

"It defines a new level of benefits that cities, boroughs and school districts can afford," said Kevin Ritchie, executive director of the Alaska Municipal League, a nonprofit, nonpartisan organization that lobbies for cities.

The Democrats criticized SB 141 as an "income tax" on a selective group of Alaskans. It could be challenged in court because many employees have set rates in their contracts. And some opponents fear cities will have to increase salaries to retain employees.

The city officials also said conditions have become worse since Gov. Frank Murkowski slashed a revenue sharing program cities depended on. The administration defended that cut in 2003 by saying the state needed to save money and the municipalities should do their part.

Municipalities lost money they used to pay bills and salaries. Today, some rural communities cannot afford to run water and sewer systems.

In 1985, the state was giving local governments \$141 million. That amount was whittled down to \$29.6 million when the program stopped in 2003. This year, no dollars were given to cities in the form of revenue sharing.

Reportedly, the governor was attempting to balance the budget when he cut the funding.

"There are no enemies here," said Ritchie. "Just bad advise given to politicians."

This year the governor encouraged the Legislature to fully fund the ongoing Power Cost Equalization program, which subsidizes fuel costs so rural areas pay a price similar to urban centers. So far, the House of Representatives approved \$18.75 million, an increase over years before but not the \$21.5 million requested.

At the conference, city officials speculated gas would rise above \$5 a gallon in remote areas.

High fuel costs and the expense of living apart from major highways and railroads outweigh money collected from sales tax, Ritchie said.

Mayors are also counting on two other bills to pass that will either give cities grants or pay for maintenance needs.

House Bill 49 is similar to the previous state revenue sharing programs, giving municipalities grants of \$50,000 per year.

By using earnings from the Alaska Permanent Fund, Senate bill 155 pays for all requests on the state school deferred maintenance lists and constructs new buildings where needed.

- Andrew Petty can be reached at andrew.petty@juneauempire.com

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Anchorage Daily News

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Plea for funding VPSO program preceded officer's suicide

By SIMEON ASKOAK

(Published: April 24, 2005)

My name is Simeon Askoak, and I'm the VPSO in Russian Mission. I've been the Village Public Safety Officer in Russian Mission for 13 years now and of my 13 years that I've been a VPSO, we've been struggling every year to get our VPSO funding from the state to be continued on to another new year.

VPSO funding is very limited. Our fiscal year '05 operating budget from the state was not approved until November '04 of last year, and the program was about to be closed, shut down, until fiscal year 2005 and was finally approved by the governor.

At this time the village of Russian Mission, the City Council of Russian Mission, has no funding. The small communities like the Village of Russian Mission are broke right now and because of that, starting in the month of November of 2004, I began purchasing my own heating fuel for the public safety office, fuel for the vehicle that I use. Also, I pay for the fax and phone bill that I use.

I'm still paying for all these expenses. I pay for certified mail of my reports to the Alaska State Troopers, to the district attorneys, out of my own pocket.

When I was asked why I was doing that, I told them that the city government can no longer afford to pay for these expenses.

And, last month sometime, on the 23rd of March, I could no longer afford to pay for those expenses, so the city and the police department ran out of heating fuel. The water line froze and then the water utilities company came by and said, "We're shutting down your water and sewer because you haven't been paying for them in the last few months."

And that's my dilemma at this time.

We need adequate, full funding for the VPSO program and we need to have it guaranteed that we'll always get the funding yearly from the state.

We're constantly facing this dilemma that the VPSO program will no longer be here. Last year we were almost shut down, and the VPSO fiscal year contract was extended through September 2005 of this year. And after 2005 I do not know what is going to be happening.



Simeon Askoak and his wife, Barbara, pose for a photo with their grandsons (left to right): Donovan Jacobs, Clinton Howard and Shane Hunter. (Photo courtesy of the Askoak family)



Simeon Askoak, Russian Mission VPSO (Photo courtesy of the Askoak family)

The VPSO program's motto is, "First Responders; Last Frontier."

We are the first responders, we are the only law enforcement out in most of the villages that we have and there are only 24 VPSO positions funded at this time by the state.

In the rural communities, we are the only law enforcement agencies available. We enforce state laws, for instance drug and alcohol importation cases. We secure and investigate burglaries. Sometime last month, in the course of two days, I did the same exact thing when our store was burglarized in the village.

What I did was, I secured the scene, I gathered evidence and I investigated, until I found the suspect. This is called doing the "legwork" for the state troopers.

And that "legwork" that I do and other VPSOs do, that is the backbone of the investigation. Without that, without that crucial intervention in the first few hours of the investigation, all the evidence would be destroyed and there would not be, we would not be able to apprehend the perpetrator later on.

We have been constantly seeking to obtain our basic police certification from the Alaska Police Standards Council for years, but we still haven't obtained that. I know we are unarmed. We still respond to "gun" calls, we still conduct "legwork investigations," for the troopers, and why haven't we been certified, even the basic police certifications?

Also, when a veteran VPSO retires, he has to go out and find another job in order to continue supporting his family. We are not in the state retirement system. The PERS (Public Employee Retirement System), we are not receiving that. If we do have to, we will have to buy into the PERS program, we would have to buy so many years and it's expensive to get it started.

And we'd buy that out of our own pockets.

The Russian Mission Public Safety Police Department has been closed as of March 23, 2005. That's due to lack of funding for heating fuel, water and sewer. The water and sewer bill has not been paid, and also I'm afraid that the light and power will be shut down pretty soon.

The idea of fund raising to help the Russian Mission Public Safety came up, and I think this is pathetic to our program. It's degrading me as a VPSO. There should always be funding available from somewhere, like from the state, to keep it going.

And we just don't have the options or any other source of funding right now for the village of Russian Mission.

Simeon Askoak's Bethel speech was transcribed by The Tundra Drums.

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City of Ambler

P.O. Box 09

Ambler, Alaska 99786

Phone (907) 445-2122/Fax (907) 445-2174

E-mail cityofamblerak@yahoo.com <<mailto:cityofamblerak@yahoo.com>>

** in Niv Arctic Bill
w/ School Dist tax*

3% sales tax

AMBLER POPULATION 291

February 15, 2005

Senator Gary Wilken
State Capitol Rm. 518
Juneau, Alaska 99801

1% sales tax

**AMBLER JUNEAU*

\$26 \$196

PER CAPITA

Revenue each 1%

\$7500/yr \$6,105,000/yr

RE: Senate Bill 98 " Supplemental appropriations, Fast Track Bill"

Assessed value

\$3.5 million \$3 Billion

To: Senate Finance Committee,

Per Capita AV

\$12,159 \$99,199

The City of Ambler is very much interested in receiving money from the Governor's Supplemental and Capital Appropriations Bill. We are struggling to keep things running. We had to reduce insurance coverage to a minimum. We dropped our VPO position because we couldn't afford the insurance coverage so we are completely dependent on the state troopers and our one VPSO, which puts a lot of pressure on one person to be available 24/7. Our insurance is one of our highest expenses at over \$22,000 per year. Last year it was over \$30,000. We are struggling to keep up with the insurance payments. We need to raise our 3% sales costs but we won't see any increase in revenues from that for a while and the public needs to vote on that also. There is a high unemployment rate in our village so rising costs are a hardship on everyone.

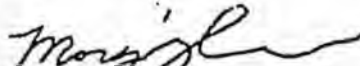
We need a dependable fuel supply. Our local fuel project runs out every 3-4 weeks and we have had to borrow fuel from AVEC from our other buildings and heavy equipment, and haul fuel from other villages to keep our water plant heated. We have 2200 gallon tanks to help us through the scarce times but we need to have a little more storage capacity and also some help in off setting the high cost of fuel. The Borough is trying to work on this problem but right now we could really use some help in meeting the high costs of fuel in our area. Gas is \$5.15 per gallon and stove oil is \$4.95 per gallon.

The costs of keeping our water and sewer plant running and also keeping up with maintenance of our heavy equipment is a challenge. Our heavy equipment rentals brings in necessary revenues during construction projects but the cost in keeping it running keeps going up and maintenance is high, as well as fuel. The cost of shipping in parts for our water/sewer project and heavy equipment, and fuel, etc. is one of the highest in the state, which makes the cost of everything go up more so here than in many other parts of the state. I was told yesterday one resident paid as much as \$1.75 per pound for freight on groceries in order to have something fresh.

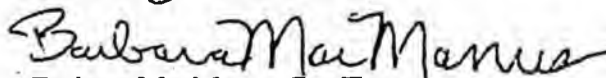
Additional revenue at this time would be a God send to our village and would be a huge help to get us thru this difficult time while we figure out other possible options for dealing with our rising expenses.

Thank you for considering our village for receiving these additional funds. We would greatly appreciate this additional revenue for helping to operate our city at this time.

Most sincerely,



Morgan Johnson-Mayor



Barbara MacManus-Sec/Treas.

cc: file

CITY OF ALEKNAGIK

P.O. BOX 33, MAIN STREET
ALEKNAGIK, ALASKA 99555-0033
PHONE: 907-842-5953 OR 842-2528
FAX: 907-842-2107
EMAIL: cityalek@nushtcl.com

5% sales tax + 5% bet tax

ALEKNAGIK POPULATION 235

January 27, 2005

Governor Frank Murkowski
Office of the Governor
Mail Stop 0001
Juneau, AK 99801

1% sales tax per capita *ALEKNAGIK* *Kenai Rm B02*
\$30 *\$145*

1% revenue sales tax *\$18,700/YR* *\$7,450,000/YR*

RE: Reinstatement of the Revenue Sharing Program

To the Honorable Governor Murkowski:

The community of Aleknagik, Alaska would like to see the reinstatement of the state's revenue sharing program for municipalities. Many communities in Alaska are hurting financially due to the state's budget cuts for the revenue sharing program and the capital matching grants. A reinstatement of the revenue sharing program would help to provide a minimum of service and public safety to the neediest communities.

The legislators need to look at "level of service" not "dollar amount" in determining equity between the urban and rural communities. The cost of goods and services is higher in rural communities, so their need for funding is greater just to provide basic services. Please look at level of service, not cost, to determine what is equitable.

In response to the budget cuts, the City of Aleknagik has made cuts to its budget, and is working on increasing revenue. The City has a sales tax that does help to fund local government services. In addition, the City has cut back on employee's hours, meeting fees, senior transportation services, non-essentials, defer maintenance, and defer equipment upgrades.

The result of the City's budget cuts is a lower level of services and public safety. That in turn means that the personnel do not have enough time to provide an adequate level of service, and the buildings and equipment are in various stages of disrepair, so the airport is not always open, or the roads are not always maintained. This could be a disaster in the event of an emergency where someone needs to be Medivaced or we need to get a fire truck to someone's house. So if you live in a community where EMS and Fire services are available 24-7-365, remember that these basic services are not always available in the villages.

JOINT RESOLUTION
RESOLUTION 05-01

A JOINT RESOLUTION OF THE COUNCILS OF THE CITY OF ALEKNAGIK, ALEKNAGIK TRADITIONAL COUNCIL, AND BOARD OF DIRECTORS OF ALEKNAGIK NATIVES LIMITED SUPPORTING REINSTATEMENT OF THE STATE'S REVENUE SHARING PROGRAM FOR MUNICIPALITIES.

WHEREAS, Aleknagik Natives Limited, Aleknagik Traditional Council and the City of Aleknagik executed a Memorandum of Understanding on October 29, 2000 to recognize areas of mutual concern and support, and to establish a framework for cooperative relations and communication for the benefit of the community of Aleknagik as a whole as the desire of the three entities is to cooperate concerning legal and political matters inherent in their relationships to one another; and,

WHEREAS, the City of Aleknagik, Aleknagik Traditional Council and Aleknagik Natives Limited are representative of the community and are hereafter known as "The Councils"; and,

WHEREAS, due to fiscal problems for cities since the revenue sharing program was cut from the state budget, The Councils see a need to reinstate the state's revenue sharing program for municipalities; and,

WHEREAS, the recent state oil revenue "windfall," should be shared with communities to offset negative fiscal impacts. The increased oil revenue benefits the state, while local governments, businesses, and families are effected with higher prices for heating fuel and transportation.

NOW THEREFORE BE IT RESOLVED that The Councils support the reinstatement of the state's revenue sharing program for municipalities using the state's budget windfall as a source of funding to get it started.

BE IT FURTHER RESOLVED that the Governor and Legislature are urged to restore the revenue sharing program funding as a part of the long-range fiscal plan for the state.

PASSED AND APPROVED on the 20th day of January, 2005 by a duly constituted quorum of the Council of the City of Aleknagik, the Aleknagik Traditional Council and Board of Directors of Aleknagik Natives Limited at a public meeting hosted by Aleknagik Natives Limited.

SIGNED: Bobby Andrew
Bobby Andrew, Aleknagik Natives Limited President

ATTEST: Nina Tinker
Nina Tinker, Secretary, Aleknagik Natives Limited

SIGNED: Gusty Chythlook
Gusty Chythlook, Aleknagik Traditional Council Chair

ATTEST: Kay Gorman
Kay Gorman, Secretary, Aleknagik Traditional Council

SIGNED: Berna Andrews
Berna Andrews, City of Aleknagik Mayor

ATTEST: Patty Heyano
Patty Heyano, City of Aleknagik Acting City Clerk

City of Aniak
P.O. Box 189
Aniak, Alaska 99557
(907)-675-4481
Fax (907)-675-4486

March 3, 2005

Senate Finance Committee
Juneau, AK 99811

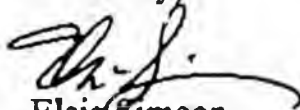
In regards to the Governor's Supplemental and Capitol Appropriations Bill, Small City Energy Assistance of \$50,000.00 to Aniak. We really could use this funding to help pay for community expenses relating to higher fuel costs, high insurance costs, equipment maintenance, and higher shipping costs.

We have not received any funding since we used to get Revenue Sharing and Safe Communities Funding from the State of Alaska to help pay for services for our community.

We had to cut back in operating hours just to keep our local government going.

We do have a 2% Sales tax, but this does not help pay for all expenses that the City of Aniak has.

Sincerely,


Elsie Simeon,
City Manager



City of Brevig Mission

North 'Futu Street
Brevig Mission, Alaska

99785-5021

Phone/Fax (907) 642-3851



February 18, 2005

Attn: Senator Donald Olson
State Capital
Suite 510
Juneau, Alaska 99801-1182

Dear Senator Olson:

Greetings! I am writing to express my support for Governor Frank Murkowski's Supplemental and Capital Appropriations Bill. As Mayor for the City of Brevig Mission I support the section of the bill that addresses "Small City Energy Assistance" and the Governor's effort to provide assistance and avoid the growing crisis in rural communities such as Brevig Mission.

However, I also want to express continued support for a long-term solution such as "Community Revenue Sharing." We need such assistance to operate and maintain insurance, water & sewer services, and emergency services such as fire protection & search and rescue. The City of Brevig Mission is that "Point of Light" in this community that connects it to the support and services that the State of Alaska is seeking to provide to its citizens. Therefore, it is my hope that you will beseech the Senate Finance Committee on behalf of the Community of Brevig Mission saying, "Don't let the light go out!"

Thank you for your efforts to represent our community on this important issue.

Sincerely:

A handwritten signature in black ink that reads "Brian Crockett".

Brian Crockett
Mayor, City of Brevig Mission

Cc Governor Frank Murkowski
Cc State Representative Richard Foster
Cc Alaska Municipal League

CITY OF CLARKS POINT
P.O. BOX 110
CLARKS POINT, ALASKA 99569
PHO. (907) 236-1221
FAX (907) 236 1412

FEBRUARY 15, 2005

TO THE SENATE FINANCE COMMITTEE;

HELLO, WE ARE WRITING THIS LETTER TO EXPRESS OUR CONCERNS
TOWARDS THE "SMALL CITY ENERGY ASSISTANCE" BILL.
WITH THE LOSS OF THE REVENUE SHARING AND OTHER CUTS, US SMALL
COMMUNITIES ARE BARELY MAKING IT. THE HIGH COST OF FUEL TO HEAT
AND PROVIDE ELECTRICITY TO RESIDENTS IS GETTING CRUCIAL.
SO WE ARE 100% IN FAVOR OF YOUR PASSING THE "SMALL CITY ENERGY
ASSISTANCE" APPROPRIATION.
THIS WILL HELP US MAKE IT THROUGH ANOTHER YEAR.

THANK YOU,

THE CLARKS POINT CITY COUNCIL

CITY OF DEERING*Small City Energy Assistance appropriation*

The money appropriated from the Small City Energy Assistance would help the City of Deering's costs with high cost of fuel and the increase of our insurance for 2005 year. Our community has been impacted by the State Revenue Sharing Budget cut, the City has had to cut down on 2 jobs at the City Office, 3 jobs at the Washeteria due to no funding to pay for such, also the fuel costs has gone up this year, which is effecting the whole community.

State Revenue Sharing:

City of Deering W. State Revenue	Current w/o State Rev
Budget: \$325659.00	Budget: \$264497.00
Profit/Loss: \$12384.00	Profit/Loss: - \$48778.00

Our community facilities has had to have a budget cut in all areas, which includes the City Office which is in need of an Administrator and the facilities in need of repair, the Cable which is in need of upgrades/repair, the Washeteria which is in need of two certified operators for the safety and health of our community water, a attendant to run the Washeteria on a daily basis and the upgrades that need to be done on our sewer system in order to have safe water to deliver to our community.

Submitted by:


Beverly Moto, City Clerk



City of Delta Junction

P.O. Box 229, Delta Junction, Alaska 99737
Ph 907-895-4656 Fax 907-895-4375
www.ci.delta-junction.ak.us
city@ci.delta-junction.ak.us

Welcome to the
Friendly Frontier

February 15, 2005

Attention: Alaska Municipal League / Alaska Senate Finance Committee

REF: Hearing on Governor's Supplemental and Capital Appropriations Bill

SUB: "Small City Energy Assistance"

Currently Diesel Fuel at the pump costs \$2.17 while in Fairbanks that price is \$2.01 per gallon and regular gasoline is \$2.19 in Delta Junction with Fairbanks prices at \$1.96 to \$2.03 per gallon. It was reported last week that gasoline in Anchorage could be brought at \$1.76 per gallon.

The small population centers in the State of Alaska could use the Governor appropriation to help defray the increase costs in shipping, insurance, and energy these past several years.

The City of Delta Junction has experienced large increases in operational costs.

HEATING OIL IS UP 51%.
DIESEL FUEL IS UP 38%.
GASOLINE COST IS UP 24%
ELECTRICITY IS UP 8%.

The above costs are increases for the local area. They are not compared with other metropolitan sites in the State of Alaska.

Other costs increases have been in insurance - health, general liability, worker compensation.

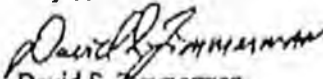
Health insurance costs for a single person increase 15.53% in FY 2004 and up again 10.25% in FY 2005. Family insurance coverage increases 15.52% in FY 2004 and was up 14.20% in FY 2005.

General Liability insurance costs were up 52% for FY 2004 but favorable down 19% for FY 2005. This is the only costs showing a decrease.

Worker Compensation insurance overall average a 27% increase for FY 2005.

Therefore, the City of Delta Junction with a population base under 1,000 people, the Governor "Small City Energy Assistance" appropriation would be greatly appreciated.

Sincerely,
City of Delta Junction


David S. Zimmerman
Finance Officer

CITY OF EEK
P.O. BOX 09
EEK, ALASKA 99578
PHONE # 907-536-5129

DATE: FEBRUARY 14, 2005

TO: THE SENATE FINANCE COMMITTEE

FR: MAYOR TERESA JACKSON, CITY OF EEK

RE: SUPPLEMENTAL APPROPRIATION FOR SMALL COMMUNITIES

TO WHOM IT MAY CONCERN, WE, THE CITY OF EEK, ARE REQUESTING THAT THIS BILL BE PASSED, SINCE IT IS NEEDED BY ALL COMMUNITIES IN RURAL ALASKA. IF THIS DOES NOT PASS, SMALL COMMUNITIES, LIKE EEK, WILL HAVE MAJOR PROBLEMS, WITH REGARDS TO STABILITY, FOR SERVICES PROVIDED TO COMMUNITY. WITHOUT AID FROM THE STATE, MANY OF OUR SERVICES WILL BE CUT IN THE NEXT FISCAL YEAR, WHICH WILL BE IN ABOUT 4 MONTHS. IN THE LAST COUNCIL MTG, CUTS WERE DISCUSSED, IN THE AREA OF POLICING, CUSTODIAL AND ROAD MAINTS. MOST OF THE EMPLOYEES, ALREADY, WORK LESS HOURS, THAN NORMAL. PRESENTLY WE HAVE ONE VILLAGE POLICE OFFICER THAT WORKS 6 HOURS PER DAY, WHICH WILL BE CUT TO 3 HOURS PER DAY, IN THE NEXT FISCAL YEAR. IN THE PAST THE CITY HAD 2 POLICE OFFICERS THAT WORKED 6 HRS A DAY BUT DUE TO CUTS TO STATE REVENUE SHARING, WE NOW HAVE ONE, WHICH LEAD TO A HIGH TURNOVER RATE FOR POLICE PERSONNEL. SINCE JULY OF LAST YEAR, THE CITY HAD REPLACE VPO'S THREE TIMES IN THAT SPAN. NONE OF THEM WERE NEVER FIRED, ALL QUIT, STATING, THAT IT IS TOO HARD TO WORK ALONE. WE, THE EEK CITY COUNCIL, FEEL ANY CUTS TO OUR PRESENT WORK FORCE WILL CRIPPLE OR HINDER SERVICES THE CITY PROVIDES TO THE COMMUNITY. PLUS, THE HIGH COST OF FUEL AND FREIGHT COST SHOULD BE CONSIDERED BY YOU, THE COMMITTEE, IN MAKING YOUR DECISION.

ANOTHER ASPECT TO CONSIDER IS THE SITUATION IN CHEVAK, AK, THERE WILL BE A NUMBER OF COMMUNITIES THAT WILL HAVE THE SAME PROBLEMS, IF THIS BILL IS NOT PASSED BY YOUR COMMITTEE. A STATE OF EMERGENCY IS ON THE HORIZON FOR RURAL ALASKA, IF THIS BILL IS NOT CONSIDERED OR PASSED BY YOU THE COMMITTEE.

SIGNED:

Gloria Keyes For
TERESA JACKSON, MAYOR

*Signed by Elias Keyes
Vice Mayor*



CITY OF ELIM
ELIM CITY COUNCIL
P.O. BOX 39009
ELIM, ALASKA 99739
PH: (907)890-3441
FAX: (907)890-3811

April 11, 2005

To: Kevin Ritchie, Executive Director AML

From: Paul T. Nagaruk, Mayor

RE: State Operating Budget

With the Senate Finance Committee public hearing going on, on the Operating Budget We feel it is very important to get some answers now.

Our City has not been able to get back into the Public Employee Retirement System due to the increased cost in the Retirement Program and cutback on Revenue Sharing. The Municipal Governments of Rural Alaska are probably the ones suffering the most as we do not have the tax base and economic development to boost our economy.

The cost of fuel and electricity will surely make matters worse. The Hubs of Rural Alaska are now taking bigger bites out of our share of operating funds.

On the matter of our Alaska State Troopers we have a lot of unanswered calls that were made just from our village. We continue to experience drug problems and many bootleggers into our dry villages. The problems are not being answered and are continuing to get out of hand.

We lack good people to work or stay on the job because of funding problems. Our Municipal Governments receive no special training in operating and staffing municipal offices. We have brought these issues up with some of our Commissioners and Directors of our State Government. Unless we get serious about training in our villages we will have to depend on the State and Federal Government to do the jobs for us.

Why are we complaining or should we complain anymore! We are aware of the problems the State is facing with Billions in the Banks. We elect new Legislatures each year to fix the problem. We in Rural Alaska are becoming a serious problem for Alaskans.

The City Council of the City of Elim would like this directed to the State Operating Budget Committee and the Senate Finance Committee and any legislature who is willing to listen.

CITY OF FORT YUKON

INCORPORATED 1959

Post Office Box 269

INCORPORATED 1959

Telephone (907) 662-2479 or 2379

Fort Yukon, Alaska 99740

Senate Finance Committee
State of Alaska
Juneau, AK

February 18, 2005

Dear Senator,

Much of our budget has to go towards the extreme high cost of heating fuel, which is necessary to keep our water system working. Yes, our lifestyle has improved since we have had piped water, yet this system is expensive to operate to prevent the pipes from freezing for the water lines must be continuously circulating. Because we are a remote village the fuel cost is high. We need the State to assist us so we can continue with a healthy lifestyle. This is clearly a priority for us.

Also, the increase cost of our insurance has not been easy for us to meet as well. We need the State to supplement our increased expenses which are mandatory to operate.

We, the City of Fort Yukon, are proud to be a part of this great strong state. Please help our community as the loss of the State Revenue Sharing has hurt us to meet needs. Again, we ask for your support on the Governor's Supplemental and Capital Appropriations Bill which includes the Small City Energy Assistance.

Sincerely,



Fannie Carroll

City Manager

Cc: file, AML



City of Gustavus
P.O. Box 1
Gustavus, AK 99826
Phone: (907) 697-2451

February 16, 2005

Senate Finance Committee
Juneau, Alaska

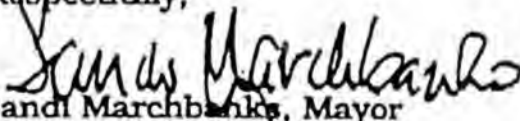
Distinguished Members,

As the mayor of the first community to incorporate in Alaska in at least 19 years, and the community with possibly the highest electrical rates in the United States, I can assure you that any monies directed our way will be used to offset the cost of utilities in the community.

The hydroelectric project in Gustavus has been a work in progress for more than a decade. The reason it has moved forward is due to its ability to pay for itself, but unfortunately, at no reduction in rates to the end user. Only by seeking out grants and putting money like this into the project will the community of Gustavus be able to enjoy electrical rates more in line with Alaskan communities of like size and circumstance.

As we all know, one of Alaska's means of bringing in additional revenue is tourism. Tourism in Alaska has made a steady decline for the past eight or nine years, regardless of the spin placed on tourism numbers by the cruise industry. Gustavus is one of those areas substantially impacted by the decline. That decline and the loss of revenue sharing have been instrumental in bringing the community to its knees. High fuel costs, high electrical rates and the ever-present dilemma of the community dock keep us in such a state of repression, we fear for the health of this small community. Our incorporation goal is to bring Gustavus back into a positive condition where people will be able to live, work and raise their families without the burden of such a high cost of living rate. We intend to keep our community's needs small, but will be unable to do so without the infusion of these types of assistance.

Respectfully,


Sandi Marchbanks, Mayor
City of Gustavus



CITY OF HOUSTON
office of
MAYOR
DALE ADAMS

Subject: Levy Property Tax Exemption.


January 11, 2005

Dear Senator Wilken,

The City of Houston supports a property tax exemption for Seniors and Disabled Veterans. We also feel that the State should reimburse the city. Where this is a mandated exemption by the state, yet the state does not reimburse the local governments.

Some Seniors incomes are high and got the ability to pay property tax. But property taxes and assessments are rising and is leaving seniors with fixed income the inability to continue to afford there homes. The City of Houston is leasing about \$42,000.00 a year which is a lot of money for a small city like Houston.

Thank You,


Dale Adams Mayor

CITY OF KWETHLUK
P.O.B. 50
KWETHLUK, AK 99621

April 21, 2005

Honorable Governor Frank Murkowski
State Capitol, Third Floor
Juneau, Alaska 99801

Dear Governor Murkowski,

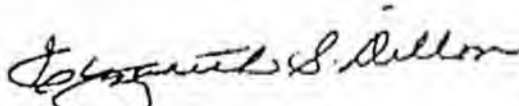
I am writing this letter as a last resort. Kwethluk City Council members have done everything in their power to keep our community together. We have run out of money and now we have run out of hope. The City had to lay off all the city employees. As Mayor, I am the only one left to do City business, as I am not a paid employee. In order to even go down to the City office, I must use my own money to put into the tank (which runs \$3.31 a gallon plus tax) as the city buildings been out of fuel for some time, as well as out of money to pay for the fuel.

We have been paying our insurance on an "installment" basis. Now, our last payment of \$7,000 has had to be put on hold. We received a CDBG grant with which to build a much-needed Public Safety building. We also were eager for this job to take place as it would mean jobs for members of our community. Now we have learned that if we do not have our liability insurance paid up, we will not be able to build our Public Safety building.

Our operating budget is gone. Members of our community cannot afford to pay their electric bills, as jobs are scarce. We owe IRS in back taxes, as uncomfortable choices must be made when a community is out of money, yet loyal employees have worked until the end.

We have lost revenue sharing, capital matching grants and seen all our expenses rise considerably. We hear how well Alaska is doing because of high oil prices, but we are not doing well. We have helped pay those high oil prices, but we do not receive any benefit from them? What do YOU think we should do? I would appreciate a reply as to what you or the legislators think we should do.

Sincerely,



Elizabeth S. Dillon
Mayor, City of Kwethluk
Kwethluk City Council

John W. Andrew-Vice Mayor *John W. Andrew*
Elizabeth G. Michael-Secretary *Elizabeth G. Michael*
Richard L. Long-Treasurer *Richard L. Long*
Arthur Alexie, Sr.-Member
Annie S. Andrew-Member *Annie S. Andrew*
Martin Andrew-Member

Cc: Alaska State Legislature



City of Marshall

P.O. BOX 09 • MARSHALL, ALASKA 96585 • (907) 679-6215/8415

February 14, 2005

Co-Chairs: The Honorable Senators Green and Wilken
Vice Chair: The Honorable Senator Bunde

Finance Committee Members:
The Honorable Senators Dyson, Stedman, Hoffman and Olson

Re: Senate Bill 98 "Supplemental Appropriations, Fast Track Bill"
"Small City Energy Assistance"

The City Of Marshall's population currently stands at 384 and a distribution of \$50,000 to the City will assist us in purchasing fuel and paying for our insurance costs for the immediate future. The high cost of fuel this year has put the City in a financial crunch. Since the State Revenue Sharing Program was eliminated we have experienced a decrease in services provided to the residents of Marshall.

Thank you for your consideration.

Respectfully,

Raymond D. Alstrom
Mayor

CC: The Honorable Senator Kookesh
The Honorable Representative Salmon
Ms. Kathie Wasserman, AML



CITY OF MCGRATH

PO Box 30
McGrath, Alaska 99627
(907) 524-3825 ~ FAX (907) 524-3536
cityadmin@mcgrathalaska.net

February 15, 2005

Governor's Supplemental and Capital Appropriations Bill Small City Energy Assistance

Dear Members of the Senate Finance Committee:

The City of McGrath is in the same situation as every other small rural community in Alaska. We've had extraordinary fiscal burden thrust upon us from every direction, starting two years ago with a sudden and complete elimination of Revenue Sharing and Safe Communities funding along with the cessation of Capital Matching Grants. At the same time, vendor price increases on diesel and unleaded fuel that is required to keep our basic essential services functioning within our communities, such as electricity, water, sewer, and road maintenance.

Internally, our operating budget was slammed with dramatic increases in Worker's Compensation Insurance, insurance premiums on our liability, vehicles, buildings and utilities. Infrastructure also soared. As with many other villages, McGrath is also dependent on shipping everything via air or a few commodities such as fuel by barge. These costs have also risen sharply, adding considerably to every aspect of the living expenses of our residents and to the cost of providing the services of our infrastructure.

Passing this Supplemental Appropriations Bill will assure the City of McGrath the ability to prudently sustain basic and essential services that our residents depend on and provide us the fiscal capacity to meet our existing obligations.

We look forward to hearing news that the Bill has been passed and that our fiscal crisis will be eased during this last half of FY05.

Sincerely,

A handwritten signature in cursive script that reads "Natalie Baumgartner".

Natalie Baumgartner
City Administrator

cc: Alaska Municipal League

CITY OF McGRATH, ALASKA

RESOLUTION 05-11

A RESOLUTION CALLING FOR THE CREATION OF
A STATE OF ALASKA COMMUNITY DIVIDEND/TAX RELIEF PROGRAM(S)
DURING THE CURRENT FISCAL YEAR.

WHEREAS, the City of McGrath, Alaska is the governing municipal body of McGrath, Alaska, and as such is bound by Alaska Statute Title 29; and

WHEREAS, during fiscal year 2003, the City of McGrath received \$30,041.00 from the State of Alaska's Revenue Sharing program and \$8927.00 from the State of Alaska's Safe Communities program, and;

WHEREAS, during the fiscal year 2004, the State of Alaska eliminated the Revenue Sharing and Safe communities programs; and

WHEREAS, during the fiscal year 2004, the City of McGrath received \$40,000.00 from the State of Alaska's Temporary Fiscal Relief program; and

WHEREAS, during the fiscal year 2005, the State of Alaska has eliminated all revenue sharing-type funding to communities; and

WHEREAS, small rural communities, including McGrath, with a small tax base, require State assistance to support basic community services; and

NOW THEREFORE BE IT RESOLVED; the McGrath City Council calls for the creation of a State of Alaska Community Dividend/Tax Relief program(s) during the current fiscal year.

This RESOLUTION shall be effective upon enactment.

THIS RESOLUTION PASSED and APPROVED by the McGRATH CITY COUNCIL THIS 15TH DAY OF MARCH 2005 BY A VOTE OF AYES AND NAYS.

Attest:


City Clerk-Treasurer Phillip Graham

Mayor


Dustin Parker



City of New Stuyahok

P.O. Box 10
New Stuyahok, AK 99636
Phone: (907) 693-3171
FAX: (907) 693-3176

February 14, 2005

Senate Finance Committee

Dear Sir or Madam:

Revenue sharing is vital to the community of New Stuyahok and our children. It has helped paid our IRS bills, high insurance for our workers, paid for high cost of our oil and gas, helped maintained our heavy equipment needed for plowing and maintaining the roads esp. with our new airport being built. Our Head Start bus, school truck, fire truck, ambulance, and VPSO truck would have a hard time on the road or wouldn't be able to go on it if we don't have the capacity to keep it graded or maintained.

Without it we wouldn't be able to maintain this place that has about 600 people and growing rapidly. It is hard enough now to maintain the city and without revenue sharing we would be back in the stone ages. As of this moment right now it is very difficult to pay for our electricity, heating oil, phone, and gas. We need this to keep our 2nd class city moving forward and not going backwards.

Thank you very much for your time and please think of our children and community.

Sincerely,



Randal A. Hastings
Mayor



Mitch Chocknok
City Administrator

CITY OF NUIQSUT
Post Office Box 89148
Nuiqsut, AK 99789
Phone 907 480-6727 Fax 907 480-6928

February 11, 2005

The Honorable John Cowdery
Chair
Alaska State Senate Rules Committee
Alaska State Capitol
Juneau, Alaska 99811

FAX: 907 465 2069

Dear Senator Cowdery:

The duly elected members of the City of Nuiqsut City Council have instructed me to communicate with you and firmly assert their unqualified support for Senate Bill 98, the Supplemental Appropriations, Fast Track Bill.

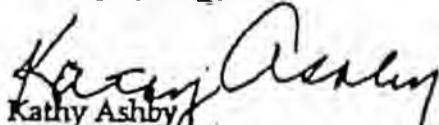
Alaska is indeed blessed with resource largesse of which many locales can only dream. Alaska's resources provide healthy economic activity and enviable lifestyles in metropolitan areas of the state. Those resources, as you well know, are located, explored, developed, and extracted in areas of the state where amenities are exceedingly few and far between, where the price of one container of milk compares with the expense of a bag of groceries in other areas.

The general fund is largely based upon resource revenues. Therefore, it is imperative that inherent inequities be ameliorated where possible. Senate Bill 98 purports to address, with general fund monies, the exorbitant cost of utilities in non-metropolitan areas of the State through energy assistance.

Please afford this bill your unqualified support as it traverses through the committee referrals and ensure its passage into law. Thank you for your assistance.

Sincerely,

CITY OF NUIQSUT


Kathy Ashby
City Administrator



CITY OF OUZINKIE

P.O. Box 109
3rd & C Street
Ouzinkie, AK 99644

Phone (907) 680-2209
Fax (907) 680-2223
cityofouzinkie@starband.net

COUNCIL MEMBERS

Zack Chichenoff - Mayor
Alex Ambrosia - Vice Mayor
Angeline Campfield - Sec. Tree.
Sharon Bookofsky - Member
Danny M. Clarion Sr. - Member
Katherine Panameroff - Member
Darren Muller - Member

February 15, 2005

Senate Finance Committee
State Capitol
Juneau, AK 99801

Dear Finance Committee Representatives;

I am writing to encourage you to take into consideration how important the Governor's Supplemental and Capital Appropriations Bill is to every community in this state.

As you know healthy communities can provide services in a more effective and efficient way that can the state. This only serves to save the state money in the future. By passing the above bill the communities can then use those funds to stabilize taxes and provide services.

We are being faced with skyrocketing fuel bills and insurance without the aid of revenue sharing. Communities with high transportation problems, a lack of insurance, exorbitant energy costs, crumbling infrastructure, and unaffordable shipping rates cannot provide a healthy environment with which to raise a family.

Sincerely,

Zack Chichenoff
Mayor



Office of the Mayor

P.O. Box 430
Pilot Point, Alaska 99649
Tel. (907) 797-2200
Fax (907) 797-2211


Senate Finance Committee
Juneau, Alaska

February 12, 2005

To Whom It May Concern:

We applaud the Governor's proposal to distribute financial energy relief to rural Alaska. The combined impacts of rising fuel prices, declining municipal revenues, Federal grant opportunities, commercial fisheries disasters, and the overall lack of economic opportunity in rural Alaska have hit all of us very hard. In Pilot Point we have had to fly fuel in at \$4.66 per gallon for heating oil. The City cannot in good conscience charge our consumers a price that allows us to break even, consequently, we are absorbing a loss of over \$2.00 per gallon. Any financial relief at this time would be greatly appreciated.

Sincerely,



Gregory Kingsley
Pilot Point City Council



CITY OF UNALAKLEET

BOX 28
UNALAKLEET, ALASKA
99884
(907) 624-3531
FAX (907) 624-3130

April 11, 2005

The Honorable Donald Olson
Alaska State Legislature
State Capitol
Mailstop: 3100
Juneau, Alaska 99801-1182

Re: City of Unalakleet Financial

Dear Senator Olson,

In the next few days, the Senate Finance Committee will be holding hearings on the FY06 State Operating Budget. I know as you begin deliberations on the final version of the budget, there are going to be many requests for items to be included before the final passage and adoption.

However, before you make any decisions regarding PERS/TRS and revenue sharing, I thought I would explain to you exactly where we are in Unalakleet and where we will be in two years at the most.

I just finished the City's proposed FY06 Budget for introduction at our most recent City Council meeting. With the next two years being major construction seasons in the City, the City will realize a windfall from equipment rentals during this period of time. The equipment rental will account for nearly twenty (20%) percent of the General Fund budget that supports Police, Fire, Public Works, Library and Administration. For FY08, I foresee the need to downsize the City staff dramatically and still maintain the mandated personnel for sewer and water and solid waste. We will also need police personnel since there are no State Troopers stationed in our community.

The higher fuel costs for delivery in June, has resulted in a fifty- (50%) percent increase over last year for the same amount of heating oil and gasoline. This year, FY06, the increased cost is softened by the recently passed aid to communities for fuel purchase. Yet this grant will only cover 67% of our fuel purchase for FY06. And then the increased cost of electricity due to the lower amount of PCE available just adds to our burden.

Then we have been required to increase our employer share of the PERS contribution by another five (5%) percent this year, and then, an additional 5% for FY06 and FY07 which is a known at this juncture. Maybe the new actuarial study will result in a more favorable contribution rate and then it may show the contribution rate needs a higher contribution rate.

To top things off, our 5% sales tax collection rate has been nearly flat for the past five years. In our annual audit, we do audit private businesses in the community and usually they have been fairly uniform in their collections and remittances. No unusually large amount of back taxes has been required of the businesses audited. Even being innovative, there just is no real means to increase the city's income.

The solid waste fund and sewer and water fund stand alone by the revenue generated for their services and do not receive any funding from the General Fund or any other source, which is unusual in rural Alaska. At present our monthly collection rate is over 75% but with the increased costs for heating and food, this may diminish. It should be noted that we are not bashful to discontinue service for non-payment and no bill goes unpaid for over 90 days.

Quietly during this period of time, the City's insurance costs have increased from approximately \$41,000.00 per year to now over \$65,000.00 per year with no new facilities being added to the coverage. As has been pointed out in recent testimony, the cost for providing the mandatory worker compensation coverage has just compounded the cost of our ability to keep our head above water with the loss of revenue sharing and municipal assistance.

It is a \$1,000.00 here and couple thousand there and a few hundred there and before you know it, we are scratching to see where the money is to meet the next payroll. The City only has six full time employees today and retains 2 to 4 casual employees during the summer months to assist the Public Works in their tasks and preventative maintenance schedule.

At the same time, the City of Unalakleet has been very unique for the past five years in their ability to provide a quality professional administration utilizing a part-time City Administrator. While there is desire to have a full-time administrator on the part of many, the Mayor provides part-time administrative services in the absence of the City Administrator. This saves the City a complete fringe benefits package except for FICA/MedFICA and ESC. With fringe benefit package for a full-time employee is in the 50% range depending upon the years of employment, this is an immense savings to the City in salary and fringe benefits in having a part-time City Administrator. The basic agreement is that if there is work to be done or grants to write, and then the City Administrator is there to work since it is per day and not per hour. A normal day is 10 to 12 hours at this point. If there is no work that needs to be accomplished, then the City Administrator is free to go home and return the following month. The City Administrator is on call while they are home, but the need for assistance is minimal.

As you can see Senator, the City of Unalakleet has already started to downsize in anticipation of decreased revenues. We can only downsize so much and then we become a burden upon the State to provide services that were provided on a local level through assistance from the State in the form of Municipal Assistance and Revenue Sharing.

As you begin your deliberations in the FY06 Operating Budget, I cannot urge you strongly enough to include financial assistance to the communities. For the past 15 years, all the communities have sacrificed to help the State get through its financial problems. Now we are in the situation that the State found itself just a few years back and we are the ones in need of assistance. We do not have a back-up reserve position as we have been eating hand to mouth for the past several years.

The City of Unalakleet is not the only community in your district that is or about to experience extreme financial problems within the next couple years at the latest. Many are in a present dire need for financial assistance and we are about to join this membership. I urge you in behalf of the City of Unalakleet and all the rural communities especially to provide us with financial relief we so much desire and need. The financial situation is a concern to all the communities in the State, large and small.

Should you have any questions, please feel free to contact me.

Yours truly,

David L. Soulak
City Administrator

City of Ruby

PO Box 90

Ruby AK 99768

907.488.4401

Fax: 907.488.444

March 22, 2005

State of Alaska
Attn: Rep. Woodie Salmon
Juneau, Alaska

Dear Mr. Salmon:

In March 2003 the City of Ruby voluntarily withdrew from the State of Alaska-PERS program. We took this action to reduce expenditures, because of State funding cuts to rural Alaskan municipalities. Before we made the decision to withdraw from the PERS program our City Clerk at that time was in contact with Mr. Kevin Worley. Mr. Worley did advise our Clerk that we would be penalized for withdrawing from the program, but we were never given an amount. There is no written statement to this effect, because both parties only discussed our options verbally over the telephone.

The State of Alaska-PERS program recently mailed a billing statement in the amount of \$241,854.00 to the City of Ruby, with no option of a payment plan. We were also informed that we would be charged an 8.25% Interest fee beginning with March 1, 2005. Even though we are no longer in the PERS program we are still faced with the same kind of debt as those communities who are still in the program. We feel that this is not fair to us and the other communities who have withdrawn due to financial stress. We are in dire need of State assistance in paying this debt off. As such we request that any Proposal by the State of Alaska to help communities deal with PERS debt should include the City of Ruby, since we all share the same burden of PERS debt together.

Since May 2003 the City of Ruby has had a high turnover rate in the City Clerk's position. We have been trying to keep up financially, especially with reduced State funding. We continue to provide services to our residents, and like many other Alaskan communities we face financial difficulties in providing sustainable programs. The amount that we owe will completely destroy our efforts to continue to provide services to our community. The Interest alone will wipe us out financially, and we will have no option but to discontinue to provide municipal services to the Ruby residents.

Respectfully,


Jay A. deLima Mayor

Rep. Woodie Salmon

From: connie.m.walker@att.net
Sent: Tuesday, April 26, 2005 11:47 AM
To: Rep. Woodie Salmon
Subject: City Closing!!!

Good Morning Representative Salmon,

This is City Clerk Connie Walker. I wanted to write you and inform you of the status of our community. I sent you a couple of emails but I'm not sure if they made it through for some reason or another.

Anyway, for the past couple of weeks I have been going through our situation here at the City. We currently do not have any Workers Comp Insurance and none of our City buildings have any liability insurance not even to mention PERS as we do not have any money to pay for those luxeries. We do have some monies coming from a grant which is about \$20,000.00 as well as a reimbursement request of fuel purchased this past July 2004 for \$6118.50. Those two figures are the only revenue that the City is looking at right now. With those monies the City will have to pay up past due bills, payroll, and taxes to the end of May and possibly we may have enough to stay open to the end of June. After that we are very seriously looking at shutting down here at the City of Holy Cross.

Like I said earlier we do not have any insurance. What do we do, purchase that insurance with these reimbursment monies coming and then end up having to close the City down afterwards? You know, I just don't see any way out of joining the countless Small Communities which have already shut down.

It doesn't seem like there is much anybody will or can do about this dire situation that we rural villages are in.

Thank you for your time and attention in this serious matter. A reply will be much appreciated.

Respectfully,
Holy Cross City Clerk, Connie M. Walker

P.S. By the way, I voted for you because you come from a small community yourself and because of your Grandfather. Keep up the good work and representation. Thank you.

CITY OF KWETHLUK
P.O.B. 50
KWETHLUK, AK 99621

April 21, 2005

Honorable Governor Frank Murkowski
State Capitol, Third Floor
Juneau, Alaska 99801

Dear Governor Murkowski,

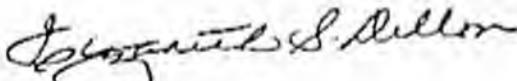
I am writing this letter as a last resort. Kwethluk City Council members have done everything in their power to keep our community together. We have run out of money and now we have run out of hope. The City had to lay off all the city employees. As Mayor, I am the only one left to do City business, as I am not a paid employee. In order to even go down to the City office, I must use my own money to put into the tank (which runs \$3.31 a gallon plus tax) as the city buildings been out of fuel for some time, as well as out of money to pay for the fuel.

We have been paying our insurance on an "installment" basis. Now, our last payment of \$7,000 has had to be put on hold. We received a CDBG grant with which to build a much-needed Public Safety building. We also were eager for this job to take place as it would mean jobs for members of our community. Now we have learned that if we do not have our liability insurance paid up, we will not be able to build our Public Safety building.

Our operating budget is gone. Members of our community cannot afford to pay their electric bills, as jobs are scarce. We owe IRS in back taxes, as uncomfortable choices must be made when a community is out of money, yet loyal employees have worked until the end.

We have lost revenue sharing, capital matching grants and seen all our expenses rise considerably. We hear how well Alaska is doing because of high oil prices, but we are not doing well. We have helped pay those high oil prices, but we do not receive any benefit from them? What do YOU think we should do? I would appreciate a reply as to what you or the legislators think we should do.

Sincerely,



Elizabeth S. Dillon
Mayor, City of Kwethluk
Kwethluk City Council

John W. Andrew-Vice Mayor *John W. Andrew*
Elizabeth G. Michael-Secretary *Elizabeth G. Michael*
Richard L. Long-Treasurer *Richard L. Long*
Arthur Alexie, Sr.-Member
Annie S. Andrew-Member *Annie S. Andrew*
Martin Andrew-Member

Cc: Alaska State Legislature

HCR

30

HFIN

FILE

FISCAL NOTE

STATE OF ALASKA
2006 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: CSHCR 30(RES)
(H) Publish Date: 3/29/06

Revision Date/Time (Note if correction): _____ Dept. Affected: Natural Resources
Title: AK Climate Impact Assessment Commission RDU: Resource Development
Component: Geological Development
Sponsor: Reps. Joule, Berkowitz, Kertula, Samuels, Ramras
Requester: House Finance Component No.: 1031

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	*** INDETERMINATE***					

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	*** INDETERMINATE***					

Estimate of any current year (FY2006) cost: 00
Check this box (X) if funding for this bill is included in the Governor's FY 2007 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

HCR30CS(RES) would create the Alaska Climate Impact Assessment Commission composed of 15 members including one member from the Department of Natural Resources. The Commission's tasks include: assessing the current and potential effects of climate warming trends on state citizens and natural resources including any adverse impacts to natural resource development; identifying specific circumstances of flooding and erosion that affect life, property, and economic and resource development in the state; examining the feasibility of alternatives to prevent and mitigate the effects of flooding and erosion; investigating and assessing issues involving permafrost and damage caused by permafrost; and recommending land use regulations, including area standards for designation of land prone to flooding and erosion.

(continued on next page)

Prepared by: Robert Swenson, Acting Director Phone: 351-5000
Division: Geological and Geophysical Surveys Date/Time: 3/28/2006
Approved by: Michael Menge, Commissioner Date: 3/29/2006
Agency: Natural Resources

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DOCUMENT(S)
ARE
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COPIES

FISCAL NOTE #1

STATE OF ALASKA
2006 LEGISLATIVE SESSION

BILL NO. CSHCR 30(RES)

ANALYSIS CONTINUATION

*** The fiscal impact of this resolution is indeterminate at this time. Properly identifying specific circumstances of flooding, erosion, and changes to the permafrost due to climate changes could take some in-depth research on existing data and possibly field work and site visits. This work could also entail the purchase of remote sensing data and analysis of such data depending on the depth of the Commission's intended assessment and recommendations. Alternatively, the Commission could merely make recommendations to the Legislature for future research and assessment needs in which case the fiscal note could be -0-.

FISCAL NOTE

STATE OF ALASKA
2006 LEGISLATIVE SESSION

Fiscal Note Number: 2
Bill Version: CSHCR 30(RES)
(H) Publish Date: 3/29/06

Revision Date/Time (Note if correction): _____ Dept. Affected: Legislature
Title: Creating an Alaska Climate Impact BRU: Legislative Council
Assessment Commission Component: Council and Subcommittees
Sponsor: Representatives Joule, Berkowitz, Kerttula
Requestor: Representative Joule Component No.: 783

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0
Travel	73.0	68.0	0.0	0.0	0.0	0.0
Contractual	6.0	6.0	0.0	0.0	0.0	0.0
Supplies	1.0	1.0	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	80.0	75.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0
-------------------------------	------------	------------	------------	------------	------------	------------

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	80.0	75.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	80.0	75.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2006) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2007 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Workdraft 24-LS1605F establishes a fifteen member Alaska Climate Impact Assessment Commission made up of four Legislators and eleven public members appointed by the Presiding Officers. The House and Senate Resources Committees will assign committee staff to support the Commission. The Commission will conduct hearing around the state, four hearings in FY07, and four hearings in FY08. Costs for experts in the field to travel to address the Commission are included in this fiscal note. Travel costs for the Legislators and public members are included in this fiscal note. All other meetings will be by teleconference. The Commission will study the effects of climate change within Alaska and shall prepare a report offering recommendations and possible solutions and preventative measures that can be implemented by Alaska communities and the state and federal governments. The Commission will have contractual budget for phone, advertising and other expenses and a supply budget for the purchase of supplies and research materials. Teleconference costs and the costs for printing the reports will be absorbed within the Legislative Affairs Agency budget. The Commission will be terminated at the conclusion of the second session of the 25th Legislature.

Prepared by: Karla Schaefer, Deputy Director Phone: 465-6520
Division: Administrative Services Date/Time: 3/29/06 4:10 PM
Approved by: Pamela Varni, Executive Director Date: 3/29/2006
Agency: Legislative Affairs Agency

Adopted

24-LS1605L
Kane
4/6/06

4/6/05

CS FOR HOUSE CONCURRENT RESOLUTION NO. 30()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FOURTH LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): REPRESENTATIVES JOULE, Berkowitz, Kerttula, Samuels, Ramras

A RESOLUTION

1 Creating an Alaska Climate Impact Assessment Commission.

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

3 WHEREAS recent weather patterns have created warming trends that have
4 jeopardized the health and well-being of residents of communities and the natural resources
5 on which they rely; and

6 WHEREAS flooding and erosion negatively affect coastal and river communities in
7 both rural and urban areas of the state; and

8 WHEREAS coastal communities are negatively affected by flooding and erosion
9 because of delayed formation of protective shore ice in the fall; and

10 WHEREAS communities along riverbanks or in river deltas are more susceptible to
11 flooding and erosion caused by ice jams, snow and glacial melts, rising sea levels, changing
12 river patterns, and heavier rainfall; and

13 WHEREAS permafrost is found beneath approximately 80 percent of the state; and

14 WHEREAS, in recent years, there has been widespread thawing of permafrost in
15 some areas, causing land to slump and erode, which in turn has caused serious damage to
16 roads, buildings, and other infrastructure; and

1 **WHEREAS** the thawing of the permafrost is likely to continue, which will have a
2 continuing negative effect on future structures and development; and

3 **WHEREAS** fish and wildlife habitats are changing, affecting the accessibility and
4 viability of certain species; and

5 **WHEREAS** resource development and the revenue it generates are potentially
6 negatively affected by the effects of climate change; and

7 **WHEREAS** the rapidly retreating sea ice affects polar route navigation and has raised
8 security concerns; and

9 **WHEREAS** the state has only one employee working on these issues; and

10 **WHEREAS**, although the Arctic Climate Impact Assessment provides the necessary
11 scientific foundation to assess current effects of climate change in the Arctic, it does not
12 address the economic effects of climate change on the State of Alaska; and

13 **WHEREAS** a comprehensive plan to address these issues, prevent or mitigate
14 negative effects of climate change, and address economic effects on the state will help save
15 lives, protect public health, preserve economic and resource development, and protect
16 valuable infrastructure;

17 **BE IT RESOLVED** by the Alaska State Legislature that there is created an Alaska
18 Climate Impact Assessment Commission; and be it

19 **FURTHER RESOLVED** that the commission shall consist of 15 members as
20 follows:

21 (1) two senators appointed by the president of the senate;

22 (2) two representatives appointed by the speaker of the house of
23 representatives; and

24 (3) 11 public members appointed jointly by the president of the senate and the
25 speaker of the house of representatives consisting of

26 (A) one member who represents the Denali Commission;

27 (B) one member from the University of Alaska with expertise in
28 climate impact effects;

29 (C) one member who represents the Alaska Federation of Natives;

30 (D) one member from the Department of Natural Resources;

31 (E) one member knowledgeable in the engineering requirements for

1 public highway and facility construction and maintenance;

2 (F) two members who represent affected Alaska communities;

3 (G) two members who represent affected Alaska businesses;

4 (H) one member knowledgeable in the area of fish and game; and

5 (I) one member who represents Alaska youth, based on the
6 recommendation of the Board of Regents of the University of Alaska; and be it

7 **FURTHER RESOLVED** that the public members of the commission may receive
8 compensation for per diem or reimbursement for travel or other expenses incurred in serving
9 on the commission; and be it

10 **FURTHER RESOLVED** that the commission may meet during and between
11 legislative sessions; and be it

12 **FURTHER RESOLVED** that the House and Senate Resources Committees may
13 assign committee staff to provide support services for the commission; and be it

14 **FURTHER RESOLVED** that the duties of the commission include the following:

15 (1) assess the current and potential effects of climate warming trends on the
16 citizens, natural resources, public health, and economy of the state, in particular the adverse
17 effects on natural resource development, forest safety, fish and game utilization,
18 transportation, community, and resource development infrastructures;

19 (2) estimate costs to the state and its citizens of adverse effects associated with
20 climate change;

21 (3) identify specific circumstances of flooding and erosion that have affected
22 life, property, and economic and resource development in the state;

23 (4) examine alternative measures to prevent and mitigate the effects of
24 flooding and erosion;

25 (5) develop policies to guide infrastructure investments in Alaska villages,
26 cities, and boroughs that are most affected by flooding and erosion;

27 (6) recommend land use regulations, including area standards for designation
28 of land prone to flooding and erosion;

29 (7) investigate and assess issues involving permafrost and damage caused by
30 permafrost;

31 (8) recommend policies to decrease the negative effects of climate change;

1 and

2 (9) identify and coordinate efforts of mutual concern with federal, state, and
3 local agencies; and be it

4 **FURTHER RESOLVED** that the commission shall offer recommendations and
5 provide possible solutions and preventative measures that can be implemented by Alaska
6 communities and by the state and federal governments; and be it

7 **FURTHER RESOLVED** that the commission shall conduct eight hearings
8 throughout the state to fulfill its purpose; and be it

9 **FURTHER RESOLVED** that the commission shall deliver a preliminary report of its
10 findings to the legislature on March 1, 2007, and make a final report to the legislature on
11 January 10, 2008, together with legislative proposals for consideration; and be it

12 **FURTHER RESOLVED** that the commission shall be available for legislative
13 hearing on its final report and recommendations; and be it

14 **FURTHER RESOLVED** that the continuation or termination of the commission
15 shall be reevaluated at the Second Regular Session of the Twenty-Fifth Alaska State
16 Legislature.

adopted 4/6/06

Amendment to CS HCR 30 (RES)
Offered by Representative Kertula

Amend page page 2 line 30 subsection (D) to read:

(D) a member ^{who}~~that~~ is knowledgeable in the area of land management and restoration of
wildlife and natural resources.

During Session:
Alaska State Capitol
Juneau, Alaska 99801-1182
(907) 465-4833
Fax (907) 465-4586
1-800-782-4833

Representative_Reggie_Joule@legis.state.ak.us



During Interim:
P.O. Box 673
Kotzebue, Alaska 99752
(907) 442-3880
Fax (907) 442-3022

Alaska State Legislature REPRESENTATIVE REGGIE JOULE

SPONSOR STATEMENT

"Creating an Alaska Climate Impact Assessment Commission."

House Concurrent Resolution 30 identifies and addresses many of the issues impacting Alaska that are the result of recent and ongoing changes in the climate. Climate change affects 184 coastal and river communities, or 86 percent of Alaska communities, in both rural and urban areas of the state. The impacts that confront Alaska include: erosion, flooding, ice jams, glacial melts, rising sea level, changing river patterns, heavy rainfall, and the thawing of vital permafrost. Recent weather patterns have created warning trends that have jeopardized the health and well-being of Alaskans. Fish and wildlife habitats, resources many depend on, have been impacted by these changes. There is also a serious impact to current and future infrastructure and natural resources development in affected areas, which may negatively impact the revenue that the area produces for the state. These are all issues that need further analysis and preventative action.

HCR 30 sets the groundwork to help Alaska cope with continuing climate change. HCR 30 provides the State of Alaska with a commission of qualified persons that will research, consult, and advise the legislature on ways to plan and react to climate change emergencies and prevent or at least minimize future impacts. Senator Ted Stevens is also introducing legislation to the U.S. Congress that addresses similar issues. The Alaska Climate Impact Assessment Commission will develop a comprehensive, preventative plan to address these issues that will help save lives, protect public health, preserve economic and resource development, and protect valuable infrastructure.

During Session:
Alaska State Capitol
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Alaska State Legislature
REPRESENTATIVE REGGIE JOULE

MEMORANDUM

DATE: April 6, 2006

SUBJECT: Work Draft for Committee Substitute on HCR 30

TO: Representative Meyer and Chenualt
House Finance Committee Co-Chairs

FROM: Representative Reggie Joule

The following is an index to the portions of HCR 30 that are the language changes.

Page 2

Line 6 – Addition of the descriptive word “negatively,” deleted “184,” “or 86 percent of Alaska communities...”

Line 8 – Added the descriptive word “coastal,” to replace “on the coast,” added the descriptive word, “negatively,” deleted “from the sea,” and “the.”

Line 10 – Added the word “more” before the word “susceptible.”

Line 12 – Changed the word, “heavy” to “heavier”

Line 15 – Deleted the word “and causing,” replaced with “, which in turn has caused” includes the language, “roads, buildings, and other...”

Page 2

Line 1 – Deleted the language, “across the state and,” to be replaced with the word, “which” added the language, “a continuing negative...”

Line 5 – Added the descriptive word, “negatively”

Line 7 – Added the grammatical language, “has raised...”

Line 11 – Grammatical changes to delete “in” replaced with “to” changed “assessing” to “assess”

Line 12 – Added the language, “of climate change...”

Line 13 – Deleted “preventing,” added the language of “prevent or mitigate negative effects of climate change, and address economic effects on the state...”

Page 3

Line 17 – Deleted the word, “and” added the language “and resource development...”

Line 19 – Replaced the word “warming” with “change”

Line 20 – Added the word “have” grammatical change of “affect” to “affected”

Line 22 – Deleted the language “the feasibility of,” added the word “measures...”

Line 24 – Deleted the word “a” changes the word “policy” to “policies”

Page 4

Line 1 – Additional language of “state, and local...”

Line 12 – Changed “recommendations” to “final report and...”

Line 13 – Added the language of “continuation or termination of the...” Deleted the language, “the conclusion of...”

MEMORANDUM

DATE: March 24, 2006

SUBJECT: Work Draft for Committee Substitute on HCR 30

TO: Representative Jay Ramras,
Co-Chair of House Resources Committee

CC: Jim Pound, Aide to Representative Jay Ramras

FROM: Representative Reggie Joule

The following is an index to the portions of HCR 30 that are the language incorporated from SB 278.

Page 2

Line 5 – Provides change in language from the narrow focus of the impacts of the “thawing permafrost” to the impacts of the broader impacts of “climate change.”

Line 7 – Recognizes another impact of climate change. This addresses the “retreating sea ice” and its impacts.

Line 10 – Recognizes the scientific study of the Arctic Climate Impact Assessment and differentiates the Alaska Climate Impact Assessment Commission’s duties from that which has already been done in the ACIA.

Line 18 – Provides an increase in membership for the commission, from 13 to 15 individuals.

Line 23 (3) – Adjusts the number of public members to fit the 15-membership change, from 9 to 11 individuals.

Line 26-27 (B) – Defines the qualifications for the member from the University of Alaska.

Line 29 (D) – Delegates one of the 15 membership seats to a member of the Alaska Conservation Alliance.

Line 30 (E) – Provides a change in the language and membership qualification. Opens the membership qualifications up to any person knowledgeable in the engineering field, instead of restricting membership to the Department of Transportation.

Page 3

Line 4 (I) – Specifies that one member of the 15 person commission be an Alaskan youth selected by the member's peers in the Alaska Youth Environmental Action group.

Line 14 (1) – Expounds upon the duties and goals of the Commission.

Line 18 (2) – The Commission is charged with the additional duty of collecting information that can be used to estimate the economical costs of the impacts of climate change in Alaska.

Line 30 (8) – Provides language change to broaden the scope of the commission from the focus of permafrost to climate impacts.

Page 4

Line 6-7 – Additional FURTHER RESOLVED to specify the number of meetings of the commission and to spread the meetings around the state.

Line 8-10 – Clarifies the time line for the Commission to make reports to the legislature.

Line 11-12 – Demonstrates the Commissions willingness to work and provide the legislature with as much information as possible.

Evidence of Climate Warming in Alaska

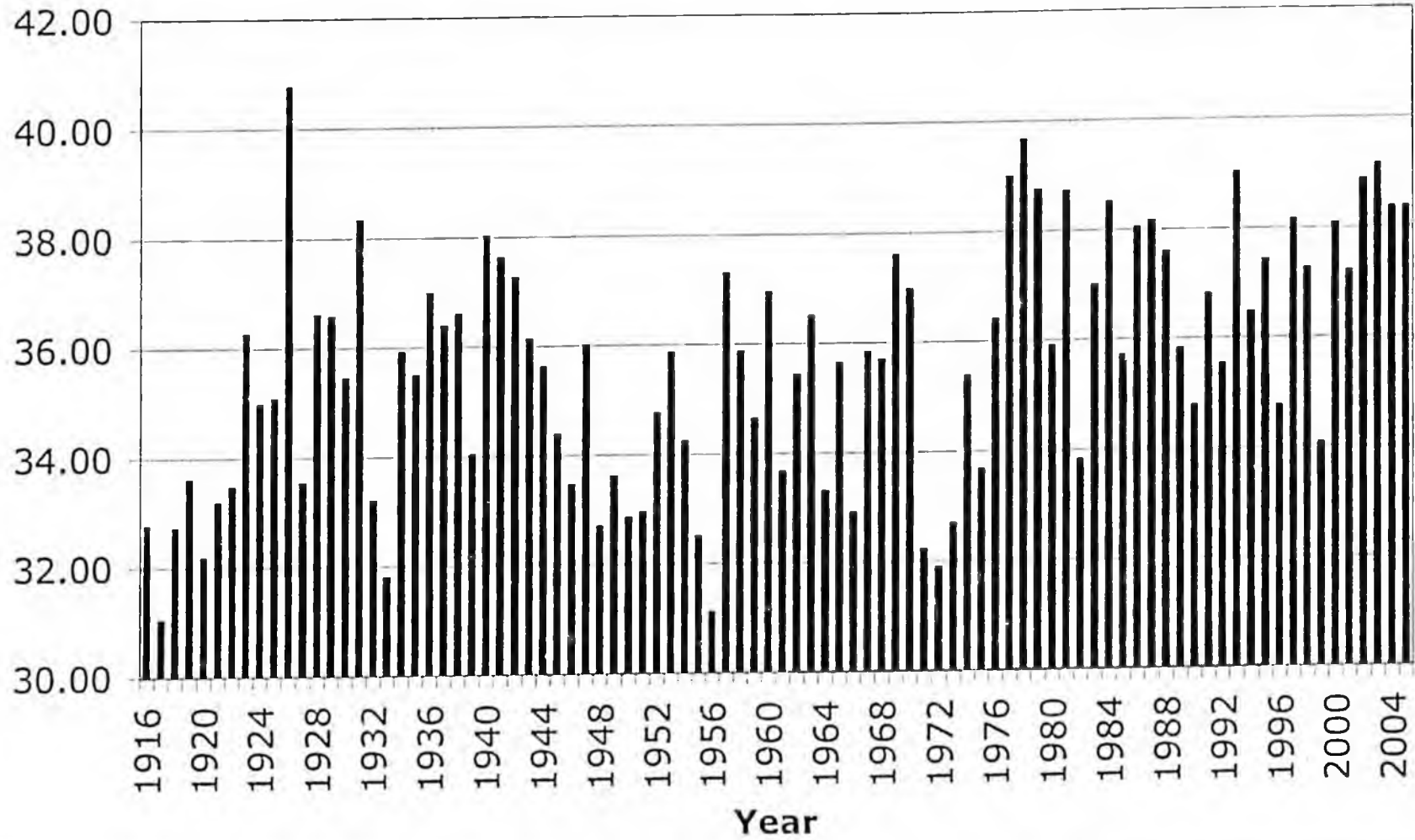
**Testimony on HCR 30 to Alaska Legislature
27 March, 2006**

**Dr. Glenn Patrick Juday
4837 Palo Verde Ave.
Fairbanks, Alaska 99709**

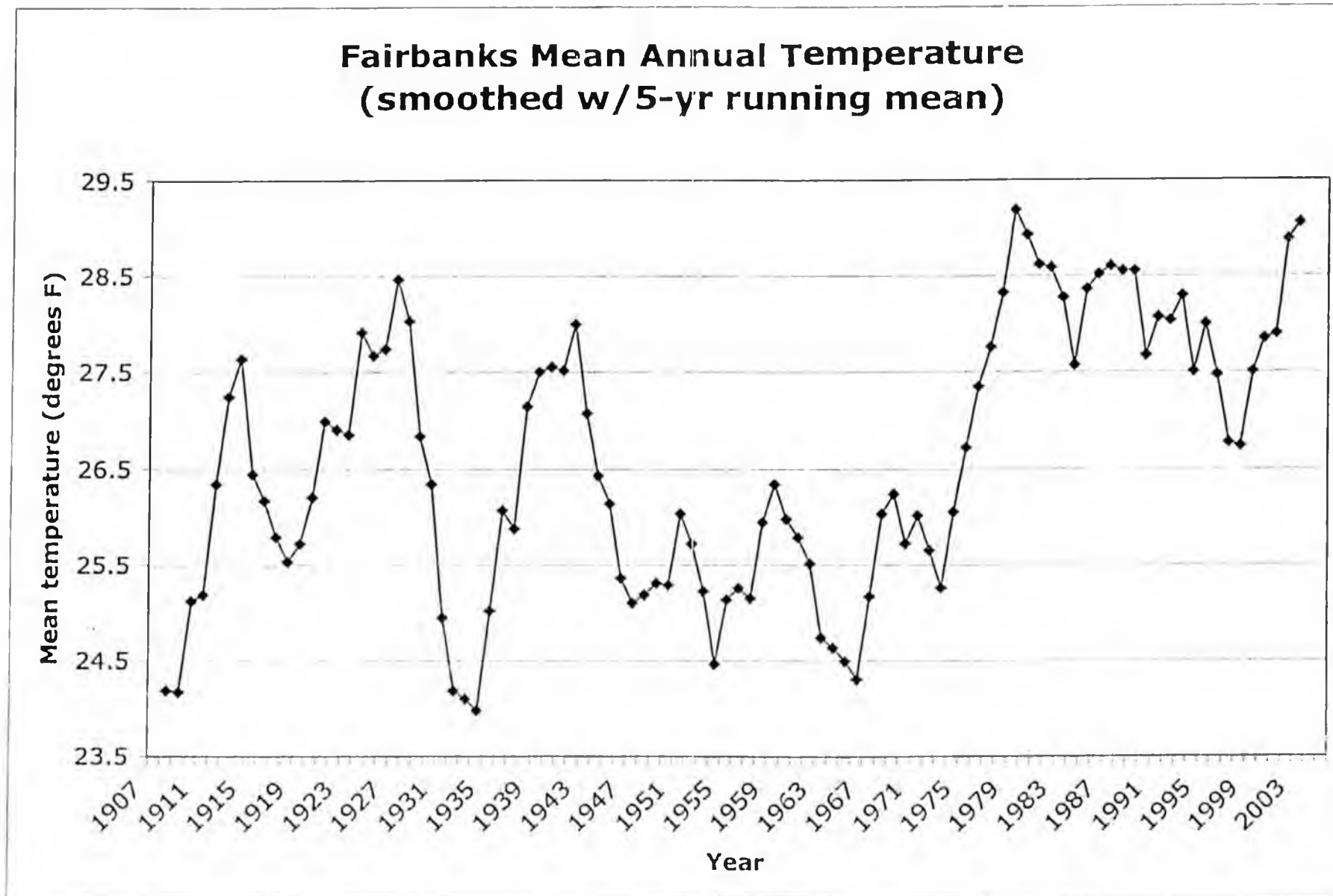
**g.juday@uaf.edu
907 474-6717 (W)
907 479-3765 (H)**

1. Temperatures in southern Alaska have increased

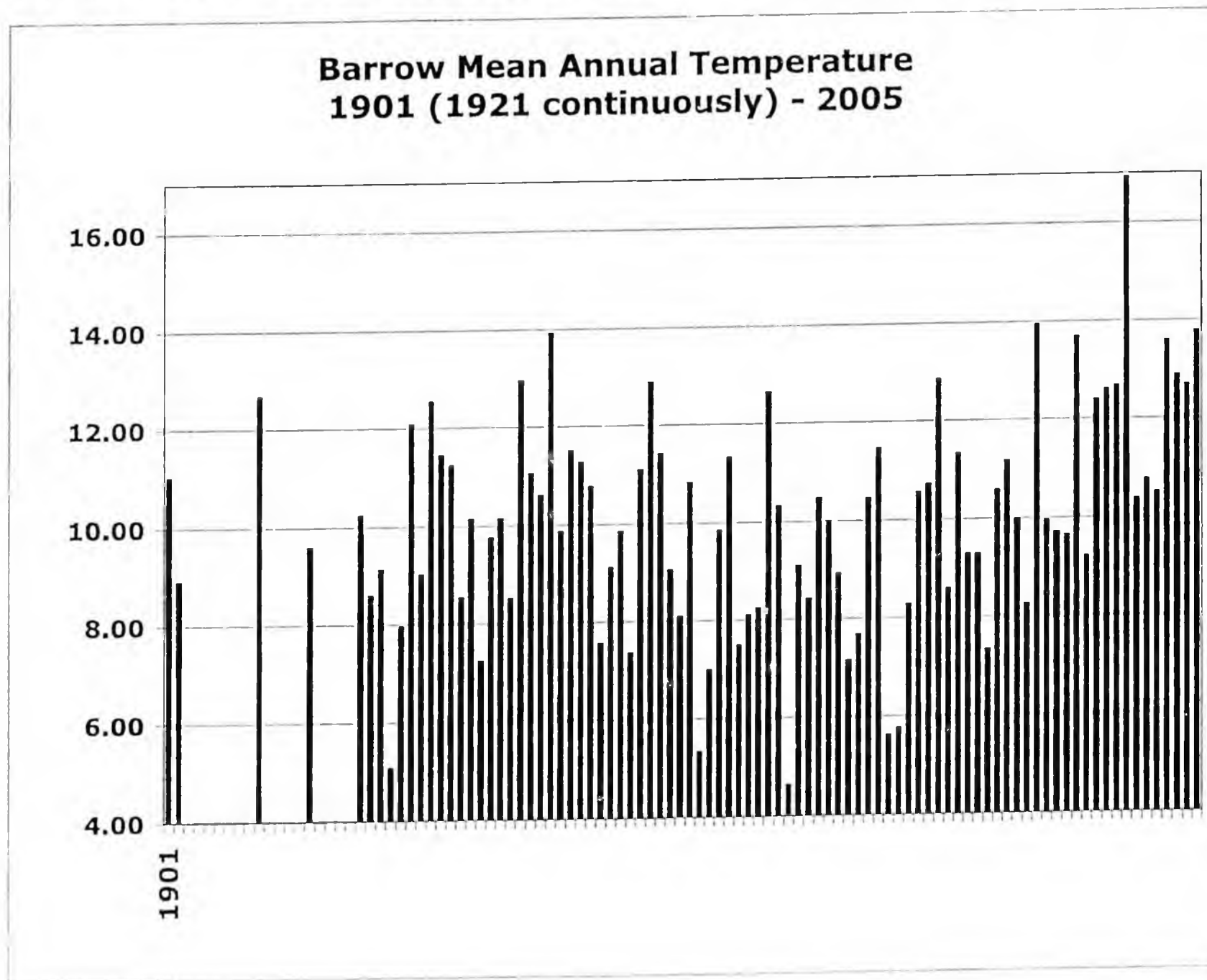
Anchorage Mean Annual Temperature
1916 - 2005



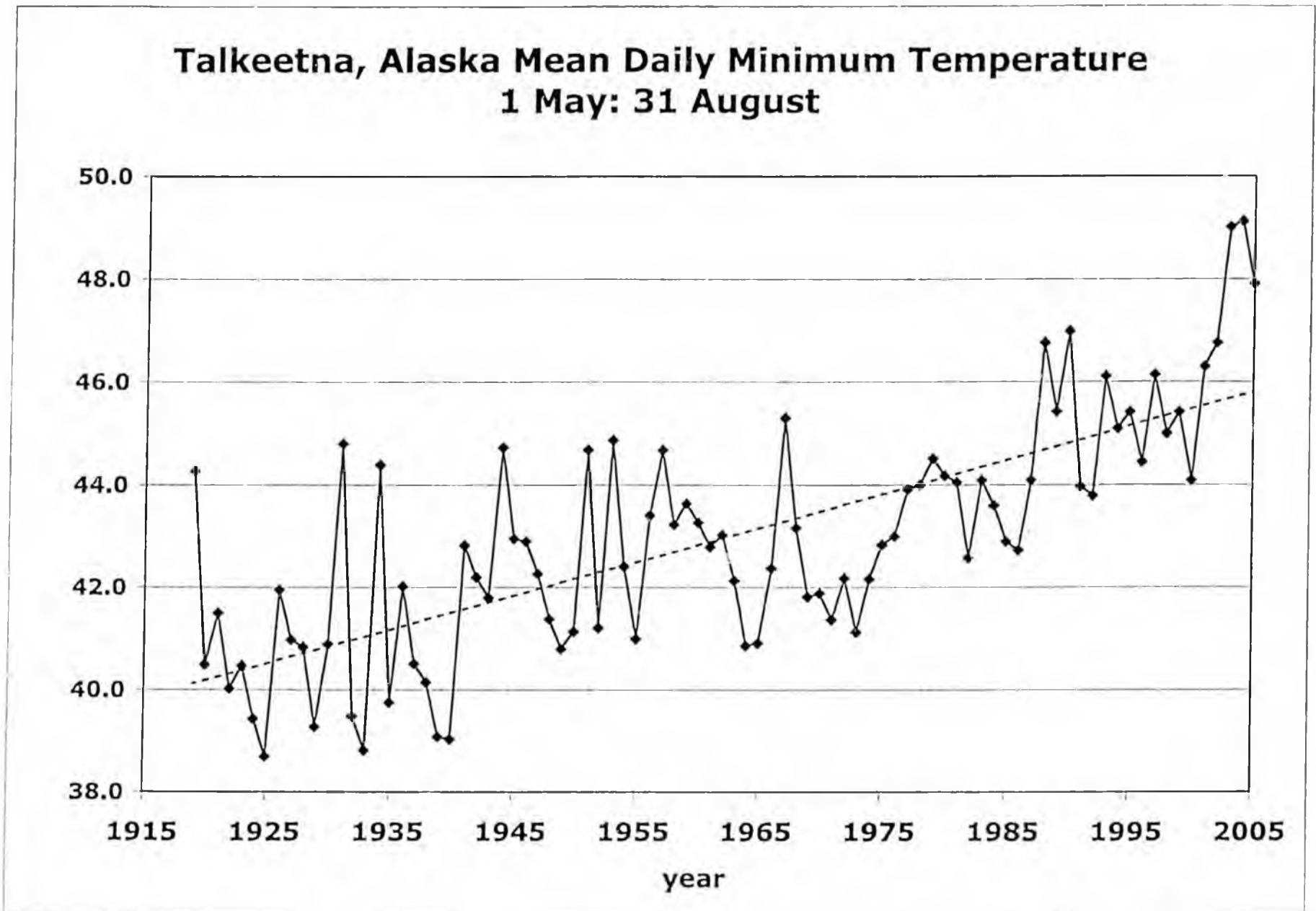
2. Temperatures in central Alaska have increased



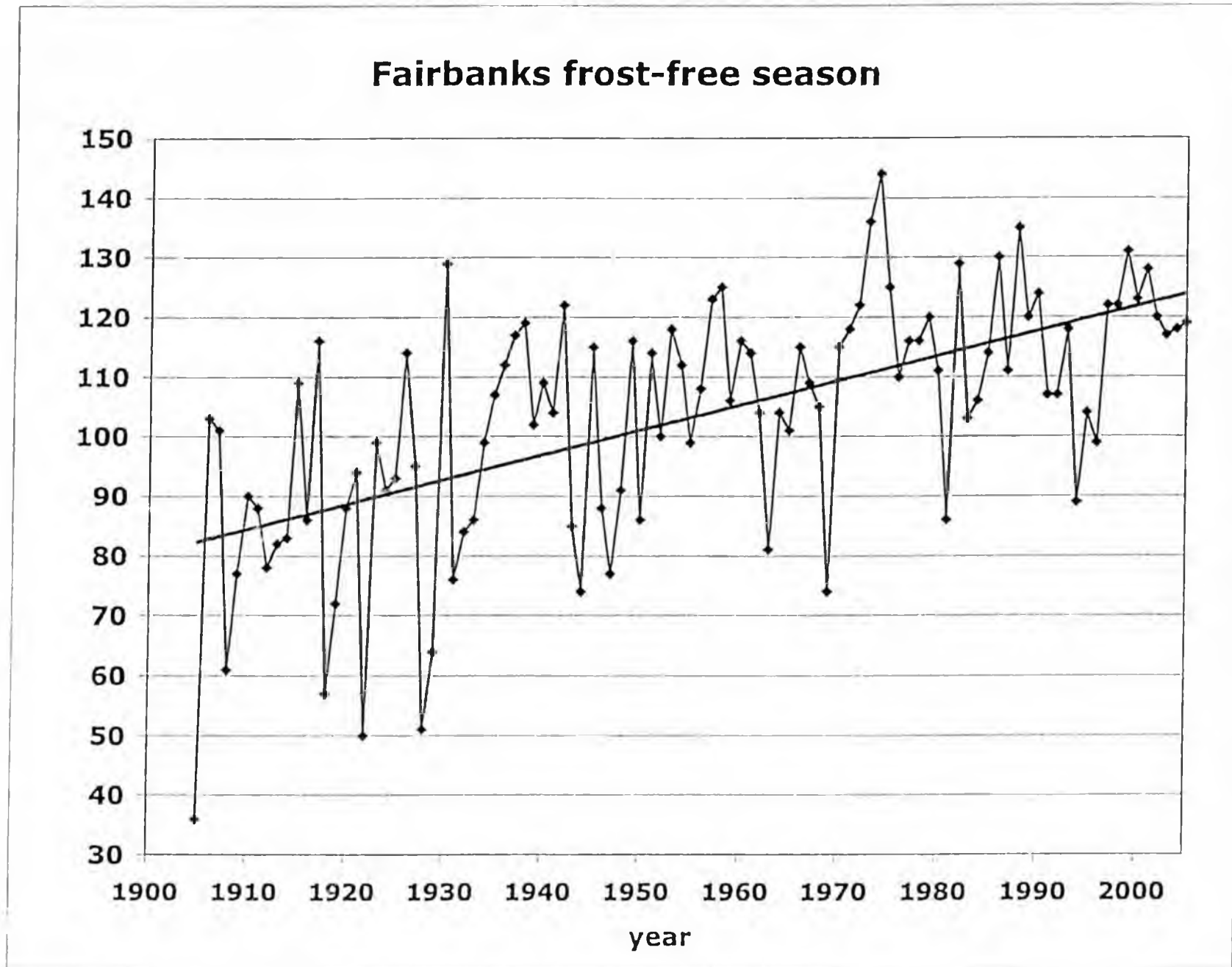
3. Temperatures in northern Alaska have increased



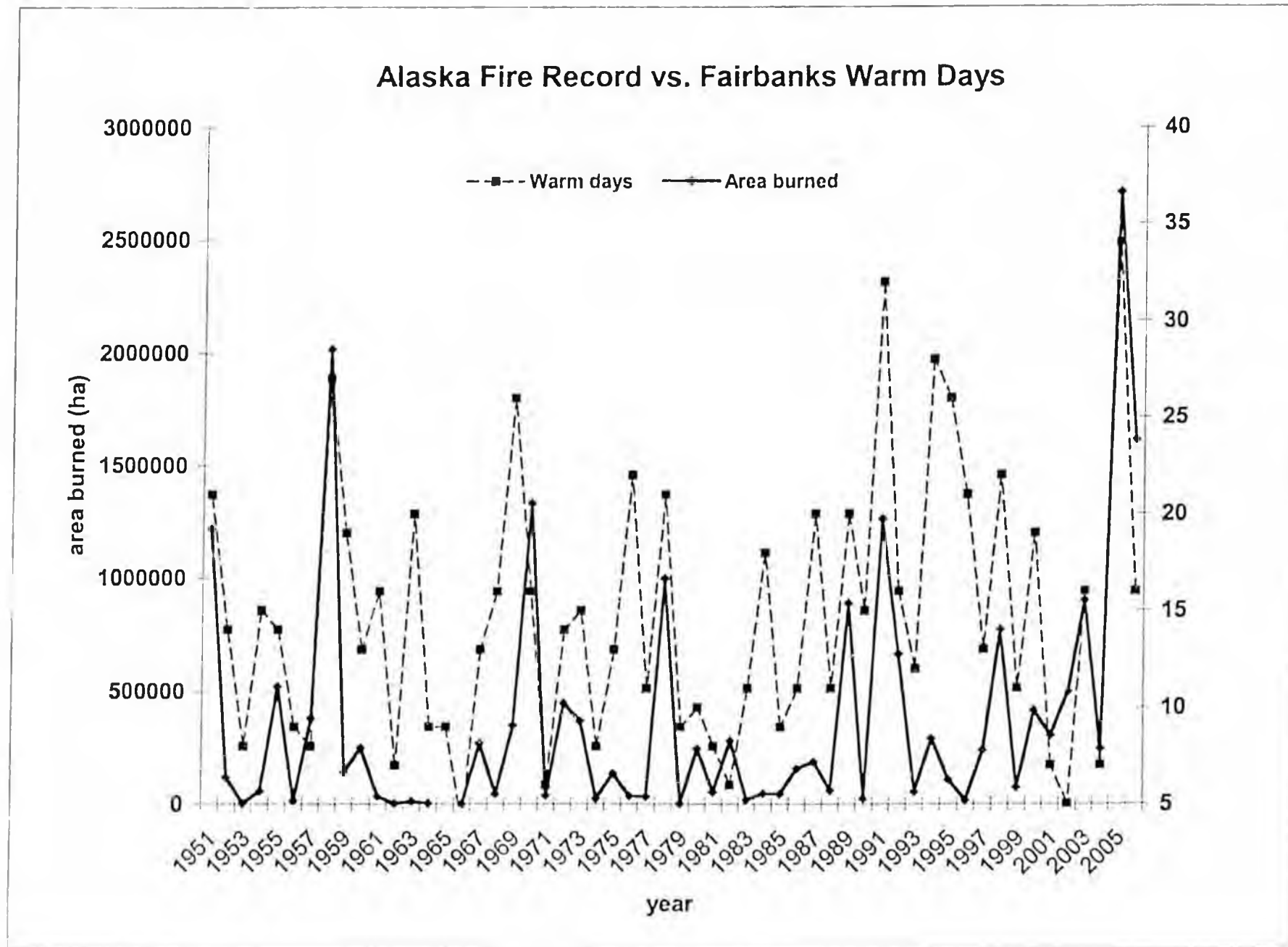
4. Overnight low temperatures have increased the most



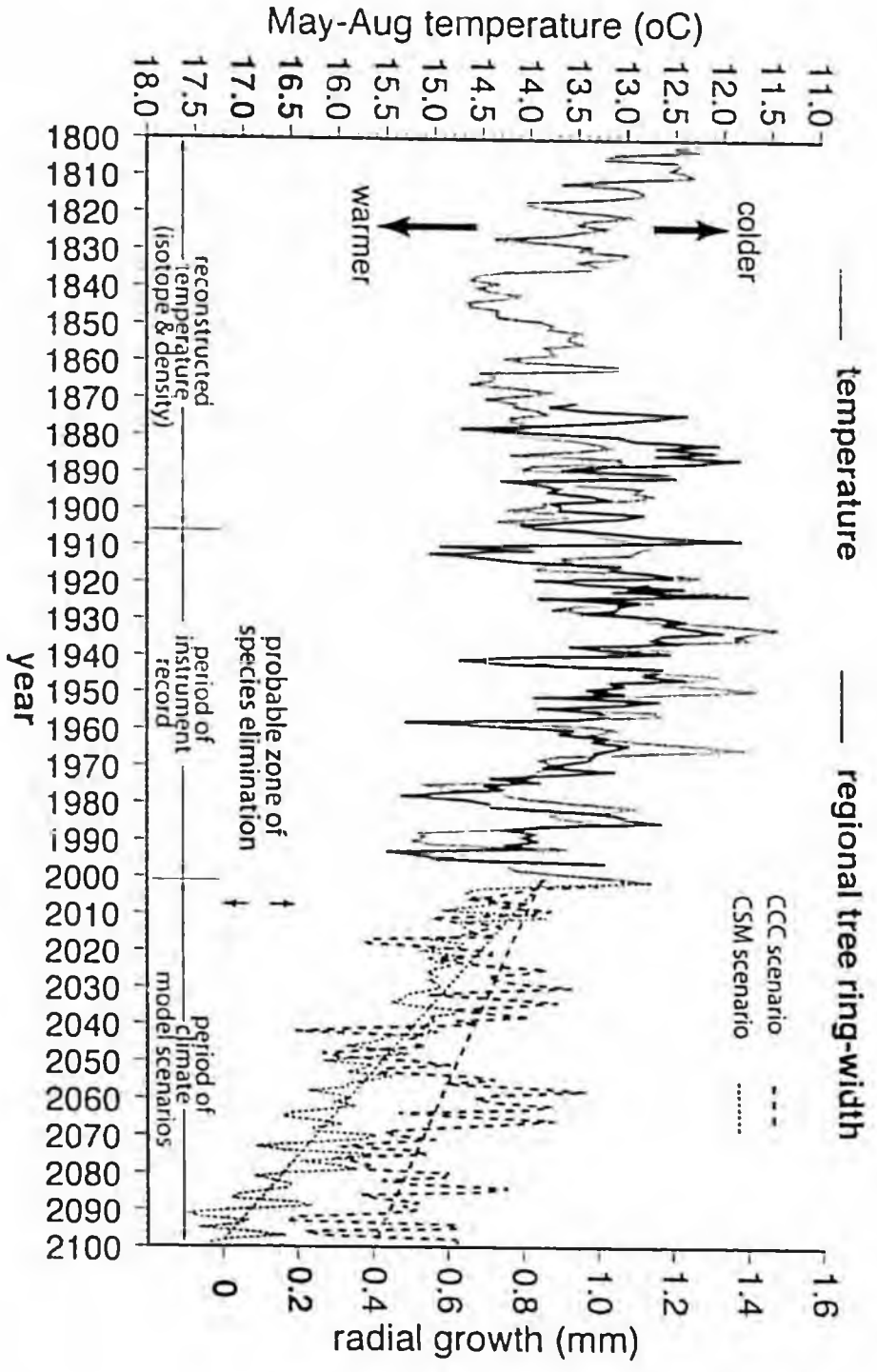
5. Growing/thawing season is now much longer



6. Hot summer days allow the spread wildfires



7. Commercial white spruce in central Alaska grow less in warm summers. With additional warming they won't grow at all.



HCR 30 Will Help Alaska Prepare for and Reduce the Impacts of Climate Change

Too many Alaskans are subject to the effects of the changing climate. Each year weather patterns are damaging Alaska's vital infrastructure, irreplaceable cultures, and essential revenue resources. Many states and communities across the country are beginning to develop adaptation strategies to minimize the economic costs and other impacts of climate change. HCR 30 will build upon existing information, such as the Arctic Climate Impacts Assessment, to assess the current and potential effects of climate change in Alaska and to recommend adaptation, mitigation, and monitoring techniques that can be adopted to minimize the potential serious detrimental impacts of climate change.

Following are a few facts about impacts of climate change:

- Climate change impacts are an issue of economics.
- The North Slope of Alaska's air temperature has increase 1.2 to 3.4 degrees Celsius above the global mean for the 20th century.
- Increase in season length and surface air temperatures could allow contaminants to migrate through active permafrost layers to surface water sources used by humans and wildlife.
- Climate change is likely to have significant impacts on existing arctic infrastructure and on all future development in the region.
- Interior Alaska's permafrost has warmed in some places to the highest level since the ice age ended 10,000 years ago, its temperature now within a degree or two of thawing.
- Climate change in the Arctic in the past has had major influences on the ebb and flow in availability of wildlife to indigenous peoples and thus have influenced their distribution and the development of their cultures.
- In Southcentral, several salmon streams are now exceeding ADF&G threshold temperatures, leading to increased susceptibility to disease and parasites.
- Scientists predict the summertime Arctic could be ice-free before the end of the century, opening up northern sea routes but threatening the existence of polar bears and disrupting the marine environment.
- Tree growth has decreased at Interior Alaska sites that were promising for commercial harvest. The warming lowers the water available to white spruce, black spruce and birch.
- Warming makes forests more susceptible to fire and insect outbreaks.
- Shrubs have thrived in the greater warmth and in turn accelerate warming.
- Between 1979 and 2001, sea ice cover retreated 6.5 percent per decade. By the summer of 2005, the rate had leapt to about 8 percent.

Now, Alaska has a chance to respond to these and other impacts in a manner that will better serve and protect people, property, and revenue in this state.

HCR 30 would allow for a commission of 13 qualified members to develop a comprehensive, preventative assessment and adaptation plan to address these issues that will help save lives, protect public health, preserve economic and resource development, and protect valuable infrastructure.

Infrastructure is defined as facilities with permanent foundations or the essential elements of a community. It includes schools; hospitals; various types of buildings and structures; and facilities such as roads, railways, airports, harbors, power stations, and power, water, and sewage lines. Infrastructure forms the basis for regional and national economic growth. An increase in environmental stresses caused by climate change expose structures to an increased risk of damage to infrastructure and threaten human lives.

How can the Alaska Impact Assessment Commission make a difference?

- The Alaska Impact Assessment Commission will make a difference by formulating methods to identify problem areas, estimating costs and opportunities, developing strategies to address emergency situations, and provide solid advice to the legislature as well as the communities in the state.

Areas in which climate change effects:

- Arctic Tundra and Polar Desert Ecosystems
- Freshwater Ecosystems, Fisheries, and Marine Systems
- Wildlife
- Hunting, Herding, Fishing, and Gathering
- Forestry, Land Management, and Agriculture
- Human Health
- Infrastructure: Buildings, Support Systems, and Industrial Facilities

Alaska HCR 30 Will Help Prevent And Prepare for the Impacts of Climate Change

Alaska is not the only state that feels the impacts of climate change. Delaying action until we have a greater certainty could be disastrous. The scientific understanding of climate change is now sufficiently clear to justify nations taking prompt action. The key is to integrate science and policy.

Following are a few facts and theories about impacts of climate change:

- The earth's temperature will keep rising, somewhere between 1.5 and nearly 6 degrees C by 2100.
- A global shift of 6 degrees C downward would make the difference between our current climate and an ice age. Impacts on sea level alone will impact half or more of the world's population who live in the coastal areas.
- More than a third of the U.S. coastal wetlands could be lost.
- The average global temperature has risen since the mid-19th century, by 0.6 degree C (roughly 1 degree F), and the amount of carbon dioxide in the atmosphere has increased about 30 percent from preindustrial times.
- Carbon dioxide and methane trap enough energy on earth to warm the surface up about 33 degrees C, higher than it would be in their absence.
- CO2 can retard plant growth instead of increasing it and reduce the diversity of plant species.
- Climate change prompts genetic change, making some animal species more vulnerable to extinction.
- Impacts include the sea level rising as much as 34 inches; increase in precipitation; threats to human health; and loss of life from floods and storms.
- Harmful effects may be occurring in the West: record dry spells, millions of acres of dead forests, warmer winters, dwindling water and catastrophic wildfires.
- Canada's Mackenzie Valley pipeline is being threatened by climate change and the impact on the permafrost.

States taking initiative:

Montana – a climate change advisory board to come up with recommendations by July 2007 to cut greenhouse gases.

Arizona – climate change panel will report by June 30.

Oregon - plans to adopt limits on power plant emissions.

Washington – plans to adopt limits on auto tailpipe emissions.

California – has a "climate action team" due to report in June on finding ways to cut emissions 2010, with further reductions by 2020.

New Mexico – has set targets for cutting greenhouse emissions and has asked a climate team to recommend by December how to make the cuts.

Why It is Important for the Alaska Legislature to
Create an Alaska Climate Change Commission or Task Force in 2006
In Support of SB 278 and HCR 30

Why Alaska Needs a Climate Change Commission Now:

1) **Climate change is significantly impacting Alaska.** Throughout Alaska, climate change is affecting every aspect of our state: infrastructure; communities; fish and wildlife; forests and other vegetation; fire hazard; winter activities; sea ice; permafrost; glaciers; lakes and rivers; oceans; transportation; health; hunting and fishing opportunities; storms; and coastal erosion; while causing significant economic and social impacts for Alaska citizens.

2) **These impacts need to be understood and quantified.** Setting aside *causes* of this warming trend, state government should draw, to the greatest extent possible, upon the many scientific reports on the potential *effects* so that Alaska can:

- Reduce and adapt to these impacts through proactive mitigation, where possible;
- Seek appropriate federal appropriations and grants to address the impacts; and
- Begin capitalizing strategically on opportunities associated with climate change.
- Partner with states and corporations that are developing mitigation strategies.

3) **The Commission should be established now.** It is important to create the Commission *now* so that it can assemble - by 2008 - needed economic, scientific, engineering and public information about climate change in Alaska because:

- Certain impacts need prompt attention in terms of federal appropriations and/or other proactive mitigation;
- Federal legislation may be passed in the near future to address climate change. This legislation likely will have provisions regarding adaptation and compensation, and Alaska will need to provide detailed analysis and documentation to obtain its fair share.
- There is an increasing need among Alaska community leaders, state officials, planners, managers, businesses, and others to understand future scenarios for climate change and how they can and should most effectively respond to it.

Why a Climate Change Commission/Task Force Will Help Alaskans:

1) Coastal Communities at Risk

Problem: Climate change is threatening many of Alaska's coastal communities because of increased storms, erosion, warming permafrost and sea-level rise. A 2004 Government Accountability Office report estimated that 86 percent of Alaska Native villages experience flooding and erosion, with many in imminent danger. The estimated cost of relocating just one of these villages ranges from \$100 million to \$400 million.

Why a Commission/Task Force is Needed: The Commission will gather the data necessary to assess the scope of the problem; develop strategies for addressing the problem (engineering solutions, social service needs, relocation as necessary, etc.); and determine the costs for implementing those strategies, which will be communicated to our Congressional delegation and others.

2) Fisheries Threats

Problem: Warming ocean and river temperatures, increased siltation from melting glaciers, and new parasites and diseases threaten Alaska fisheries and the billion dollar economy and 49,000 jobs it supports. Salmon in particular are threatened by many aspects of climate change, with river temperatures increasing throughout Alaska and the emergence of the disease *Ichthyonus* in Yukon River salmon.

Why a Commission/Task Force is Needed: The Commission will assess the threat to fisheries, analyze potential mitigation methodologies (including management, research, and enhancement), and make recommendations to the legislature based on the best information from ADF&G, the scientific community, fishermen, and others.

3) Permafrost Melting -- Impacts on Transportation and Other Infrastructure

Problem: Permafrost is found over approximately 80 percent of Alaska. The average temperature of permafrost in Alaska has increased 3°F since the early 1980s, leading to shrinking wetlands, lakes and ponds and damaging roads, buildings, airstrips, and utilities.

Why a Commission/Task Force is Needed: The Commission will assess the amount of damage that is likely to be caused by melting permafrost to existing structures and roads, quantify those costs for maintenance and mitigation relief, and help recommend the best available engineering and other solutions to minimize future infrastructure damage. This will benefit businesses throughout Alaska and Alaska's overall economy.

4) Forest Diseases, Fires and Other Concerns.

Problem: Climate change is having an impact on all of Alaska's forests. In Southeast, yellow cedar is dying off from root exposure in the winter; in Southcentral, nearly 4 million acres of mature white spruce forest was killed by spruce bark beetle infestation; in the Interior, forest fires have ravaged more than 10 million acres in the last three years.

Why a Commission/Task Force is Needed: Scientists, land managers, the legislature, and the public need to assess and then examine how adaptively manage our forests in a changing climate. Economic analysis is also needed to determine what impacts these threats will have on the forest products industry and the hundreds of jobs it supports.

5) Public Health and Safety

Problem: Increased flooding and infrastructure damage, unstable river and sea ice, expanded animal ranges, rising temperatures, and other climate impacts will affect health and safety throughout Alaska. New diseases such as West Nile Virus could arrive, as well as.

Why a Commission/Task Force is Needed: To identify wastewater collection, treatment and disposal systems threatened by increased storms and unstable permafrost; analyze health impacts of the loss of traditional foods and hunting/fishing opportunities; and, develop a plan for treating emerging health effects.

6) Winter Events and Tourism

Problem: Many Alaskan communities depend on winter events to generate off season income. These events, such as Fur Rondy races, are often faced with cancellation due to lack of snow. Community, private ski facilities and support businesses are opening later and later and are faced with declining revenues. Major tourist attractions such as Mendenhall Glacier and Portage Glacier are also at risk.

Why a Commission/Task Force is Needed: The Commission will assess which of these events, sites and facilities are most susceptible to climate change impacts and make appropriate recommendations.

7) Assessing Opportunities

Opportunities: Alaska has several potential opportunities associated with climate change, such as: opening the Arctic Ocean to summer vessel traffic and commercial fishing, increased agriculture, carbon sequestration, renewable energy, etc. Federal legislation is also being developed to address climate change that may include funding to help affected areas adapt to the impacts.

Why a Commission/Task Force is Needed: To capitalize quickly and fully on these opportunities, decision-makers need to understand what they are and what actions need to be taken to support them. The research and analysis will also help Alaska make the case to federal policymakers that assistance is needed to adapt to climate impacts.

HCR

30

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

REPORTED OUT
 MAY 05 2006
 SENATE FINANCE COMMITTEE

DATE: 4/21/06

FURTHER:

DATE TURNED
 IN TO OFFICE: 5 May 2006

Finance Committee considered CS FOR HOUSE CONCURRENT RESOLUTION NO. 30(FIN) am

HCR 30 AK CLIMATE IMPACT ASSESSMENT COMMISSION

Creating an Alaska Climate Impact Assessment Commission.

and recommends:

- be replaced with S CS CS HCR 30 (FIN)
- adopt previous _____ CS CS forthcoming . (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to _____ Committee

CS Senate Bill:

Same Title

New Title

SCS House Bill:

Same Title

Technical Title Change

New Title w/ SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Ind.	Zero	FN#
Legislature	5/3/06	65.0			

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Ind.	Zero	FN#
DNR	5/2/06		*		#1

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<i>[Signature]</i>	<input checked="" type="checkbox"/>			
<i>[Signature]</i>	<input checked="" type="checkbox"/>			
<i>[Signature]</i>			<input checked="" type="checkbox"/>	
<i>[Signature]</i>			<input checked="" type="checkbox"/>	
COCHAIR: <i>[Signature]</i>			<input checked="" type="checkbox"/>	
COCHAIR: <i>[Signature]</i>			<input checked="" type="checkbox"/>	

FISCAL NOTE

STATE OF ALASKA
2006 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: CSHCR 30(FIN) am
() Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Legislature
Title Creating an Alaska Climate Impact RDU Legislative Council
Assessment Commission Component: Council and Subcommittees
Sponsor Representatives Joule, Berkowitz, Kertula
Requestor Representative Joule Component No. 783

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0
Travel	58.0	53.0	0.0	0.0	0.0	0.0
Contractual	6.0	6.0	0.0	0.0	0.0	0.0
Supplies	1.0	1.0	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	65.0	60.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	65.0	60.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	65.0	60.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2006) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2007 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

CSHCR 30(FIN)am establishes an eleven member Alaska Climate Impact Assessment Commission made up of four Legislators and seven public members appointed by the Presiding Officers. The House and Senate Resources Committees will assign committee staff to support the Commission. The Commission will conduct hearings around the state, four hearings in FY07, and four hearings in FY08. Costs for experts in the field to travel to address the Commission are included in this fiscal note. Travel costs for the Legislators and public members are included in this fiscal note. All other meetings will be by teleconference. The Commission will study the effects of climate change within Alaska and shall prepare a report offering recommendations and possible solutions and preventative measures that can be implemented by Alaska communities and the state and federal governments. The Commission will have contractual budget for phone, advertising and other expenses and a supply budget for the purchase of supplies and research materials. Teleconference costs and the costs for printing the report will be absorbed within the Legislative Affairs Agency budget. The continuation or termination of the Commission will be reevaluated at the second regular session of the 25th Legislature.

Prepared by: Karla Schofield, Deputy Director Phone 465-6626
Division: Legislative Affairs Agency Date/Time 5/3/06 2:27 PM
Approved by: Pamela Varni, Executive Director Date 5/3/2006
Agency: Legislative Affairs Agency

FISCAL NOTE

REPORTED OUT
MAY 05 2006
SENATE FINANCE COMMITTEE

STATE OF ALASKA
2006 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: CSHCR 30(RES)
(H) Publish Date: 3/29/06

Revision Date/Time (Note if correction): _____ Dept. Affected: Natural Resources
Title: AK Climate Impact Assessment Commission RDU: Resource Development
Component: Geological Development
Sponsor: Reps. Jule, Berkowitz, Kerttula, Samuels, Ramras
Requester: House Finance Component No. 1031

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	*** INDETERMINATE***					

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

FUND SOURCE	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	*** INDETERMINATE***					

Estimate of any current year (FY2006) cost: 0.0
Check this box (X) if funding for this bill is included in the Governor's FY 2007 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)
HCR30CS(RES) would create the Alaska Climate Impact Assessment Commission composed of 15 members including one member from the Department of Natural Resources. The Commission's tasks include: assessing the current and potential effects of climate warming trends on state citizens and natural resources including any adverse impacts to natural resource development; identifying specific circumstances of flooding and erosion that affect life, property, and economic and resource development in the state; examining the feasibility of alternatives to prevent and mitigate the effects of flooding and erosion; investigating and assessing issues involving permafrost and damage caused by permafrost; and recommending land use regulations, including area standards for designation of land prone to flooding and erosion.
(continued on next page)

Prepared by: Robert Swenson, Acting Director Phone: 451-5000
Division: Geological and Geophysical Surveys Date/Time: 3/28/2006
Approved by: Michael Menge, Commissioner Date: 3/29/2006
Agency: Natural Resources

FISCAL NOTE #1

STATE OF ALASKA
2006 LEGISLATIVE SESSION

BILL NO. CSHCR 30(RES)

ANALYSIS CONTINUATION

*** The fiscal impact of this resolution is indeterminate at this time. Properly identifying specific circumstances of flooding, erosion, and changes to the permafrost due to climate changes could take some in-depth research on existing data and possibly field work and site visits. This work could also entail the purchase of remote sensing data and analysis of such data depending on the depth of the Commission's intended assessment and recommendations. Alternatively, the Commission could merely make recommendations to the Legislature for future research and assessment needs in which case the fiscal note could be -0-.

SENATE FINANCE
COMMITTEE

Adopted

Amendment # #1

To Bill Number: HCR 30

Sponsor: Olson

Date: 5/3/06 Logged by Mindy

Sen. Olson

Amendment I

HCR 30 (FIN)

Page 3, after line 7, inserts:

" FURTHER RESOLVED that the task force shall select a chairperson from among members of the legislature;"



Official Business

Alaska State Senate

Senate Finance Committee

Mail Stop 3100
State Capitol
Juneau, Alaska 99801-1182

FAX COVER SHEET

DATE: 5 May 2006 TIME: 6:35pm

TO: Legal Services

NUMBER OF PAGES, INCLUDING COVER SHEET: 2

FROM: MINDY ROWLAND
SENATE FINANCE COMMITTEE SECRETARY
PHONE: 465-4935
FAX: 465-2187

NOTES: Final Please
SCS CS HCR 30 (FIN) 24-LS1605/S.A
plus 1 amendment - attached

Thanks
Mindy

SENATE CS FOR CS FOR HOUSE CONCURRENT RESOLUTION NO. 30(FIN)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FOURTH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:
Referred:

Sponsor(s): REPRESENTATIVES JOULE, Berkowitz, Kerttula, Samuels, Ramras, Foster, Guttenberg,
Moses, Gardner, Kapner, Seaton, Croft, Gruenberg

SENATORS Olson, Elton, Ellis

A RESOLUTION

1 Creating an Alaska Climate Impact Assessment Commission.

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

3 WHEREAS recent weather patterns have created warming trends that have
4 jeopardized the health and well-being of residents of communities and the natural resources
5 on which they rely; and

6 WHEREAS flooding and erosion negatively affect coastal and river communities in
7 both rural and urban areas of the state; and

8 WHEREAS coastal communities are negatively affected by flooding and erosion
9 because of delayed formation of protective shore ice in the fall; and

10 WHEREAS communities along riverbanks or in river deltas are more susceptible to
11 flooding and erosion caused by ice jams, snow and glacial melts, rising sea levels, changing
12 river patterns, and heavier rainfall; and

13 WHEREAS permafrost is found beneath approximately 80 percent of the state; and

14 WHEREAS, in recent years, there has been widespread thawing of permafrost in
15 some areas, causing land to slump and erode, which in turn has caused serious damage to
16 roads, buildings, and other infrastructure; and

1 WHEREAS the thawing of the permafrost is likely to continue, which will have a
2 continuing negative effect on future structures and development; and

3 WHEREAS fish and wildlife habitats are changing, affecting the accessibility and
4 viability of certain species; and

5 WHEREAS resource development and the revenue it generates are potentially
6 negatively affected by the effects of climate change; and

7 WHEREAS the rapidly retreating sea ice affects polar route navigation and has raised
8 security concerns; and

9 WHEREAS the state has only one employee working on these issues; and

10 WHEREAS, although the Arctic Climate Impact Assessment provides the necessary
11 scientific foundation to assess current effects of climate change in the Arctic, it does not
12 address the economic effects of climate change on the State of Alaska; and

13 WHEREAS a comprehensive plan to address these issues, prevent or mitigate
14 negative effects of climate change, and address economic effects on the state will help save
15 lives, protect public health, preserve economic and resource development, and protect
16 valuable infrastructure;

17 BE IT RESOLVED by the Alaska State Legislature that there is created an Alaska
18 Climate Impact Assessment Commission; and be it

19 FURTHER RESOLVED that the commission shall consist of 11 members as
20 follows:

21 (1) two senators appointed by the president of the senate;

22 (2) two representatives appointed by the speaker of the house of
23 representatives; and

24 (3) seven public members appointed jointly by the president of the senate and
25 the speaker of the house of representatives consisting of

26 (A) one member with expertise in climatology or knowledgeable in the
27 area of oceanography;

28 (B) one member who is knowledgeable about Alaska's economy;

29 (C) one member who is knowledgeable in the area of land
30 management or restoration of wildlife and natural resources;

31 (D) one member experienced in arctic and sub-arctic engineering