



City of Valdez, Alaska

2021 State Legislative Priorities

Legislative Redistricting

The decennial census creates the need for State-wide legislative redistricting. The City of Valdez through its' legal representatives and staff should monitor the proceedings of the State panel created to oversee the redistricting process and the City should take proper action to ensure the Valdez community receives fair and adequate representation at the State level.

Funding of School Bond Debt Reimbursement Program

The City of Valdez supports the Governor's reinstatement of the school bond debt reimbursement program in FY 2022.

Alaska Marine Highway System

The City of Valdez is committed to finding a statewide solution for AMHS. We support a governance model which includes 1) creation of a public corporation to manage AMHS, 2) maintain State ownership of AMHS assets, and 3) interim enhancement as line agency of state government. The City considers unacceptable the continued reductions to funding for the Alaska Marine Highway System and in service to ferry-dependent communities; and opposes any further reduction to the System's budget and supports reform that is sustainable and responsive to the needs of coastal communities.

Maintaining local Alaska Department of Motor Vehicle Office.

The City of Valdez opposes the proposed elimination of the Department of Motor Vehicle Office in the Governor's FY 2022 Budget. Maintaining the Valdez DMV Office is critical to the Valdez Community for the following reasons:

1. The nearest DMV office to Valdez is located in Glennallen and will require Valdez residents to dedicate approximately 4 hours travel time for certain DMV services if the Valdez office is closed.
2. In lieu of forcing its residents to travel to Glenallen, the City of Valdez will be forced to arrange DMV services for its citizens creating a costs (tax) shift from the State to the local Valdez taxpayer and another unfunded state service.
3. Local youth attempting to obtain their driver's license will have to take their driver's test at an unfamiliar location.

Prosecution of misdemeanors by State prosecutors-unfunded

The City of Valdez opposes shifting costs of prosecuting misdemeanor crimes to local governments as proposed in the Governor's FY 2022 Budget. Requiring municipalities to pay these costs creates an unfunded mandate. Local police departments have a duty to enforce the laws adopted by the State of Alaska and a lack of funding by the State for such prosecutions will create a financial disincentive for the enforcement of these violations of the law.

Department of Natural Resources Permitting-Lowe River

The City of Valdez continues to urge the Department of Natural Resources to finalize permitting for material extraction from the Lowe River as authorized under AS 38.05.850. The City of Valdez has been working with DNR staff on permitting for flood control measures in the Lowe River. The State of Alaska empowered the City of Valdez to obtain permits for such flood control projects, however, various state agencies continue to impede the City of Valdez's ability to finalize such permitting and initiate such flood control projects.

Review of Hilcorp/BP TAPS Transaction.

The City of Valdez urges the State of Alaska to create transparency related to the Hilcorp/BP TAPS transaction and would implore state agencies and legislative bodies with oversight powers to review such transaction. Additional transparency is needed related to Hilcorp's financial capacity and ability to respond to potential environmental issues, including spill response connected to the pipeline and within Prince William Sound.

Rail Initiative/funding efforts for potential rail to Alaska and Valdez

The City of Valdez has entered into an MOU with the Alaska to Alberta Rail Development Corporation to explore the feasibility of rail to Valdez. A2A has successfully obtained a Presidential Permit for a project creating rail from Alaska to Alberta and the State of Alaska should continue to support logistical and financial efforts to work in cooperation with United States and Canadian Governments, and Tribes/First Nations involved with development of such rail project.

State efforts for Economic Recovery and specific issues impacting Valdez

- Support the continued creation of business assistance/relief, i.e. additional rounds of PPP, creation of low interest/long terms loans, creation of grants, etc.
- Encourage highest level of investment in tourism marketing.
- Fund tourism marketing via grant to the Alaska Travel Industry Association.

- At a minimum the tourism marketing investment should match if not exceed the funds collected by the vehicle rental car tax.

Reinvesting tourism industry collected dollars into marketing efforts the State of Alaska will be supporting businesses in Alaska allowing them to recover and grow the industry.

Future federal financial relief (Cares Funding) should refine funding formulas for local government to provide stronger emphasis for communities with higher property tax burden. Previous formula provided more substantial relief to communities with higher dependency on sales tax and other non-property tax revenue.

2021 Legislative Priorities for Local Fisheries

Maintain Alaska Wildlife Trooper in Valdez.

Maintaining the Valdez post for an Alaska Wildlife Trooper (AWT) is important to the fishing community of Valdez and Prince William Sound (PWS). Valdez is home to 41 permit holders and homeport to 91 vessels participating in various commercial fisheries. A local AWT provides;

1. Regulation enforcement and protection of wild and hatchery fishery resources in Valdez and PWS. Port Valdez and Valdez Arm are home to one of the largest purse seine salmon fisheries in Alaska. Up to 200 commercial vessels fish each summer in close proximity to the Solomon Gulch Hatchery, the Alyeska Marine Terminal and regulatory closed waters. The on water presence of the Valdez AWT helps to ensure an orderly fishery and maintain established boundaries for resource protection and marine traffic.
2. Enforcement of hunting regulations in Prince William Sound and the Copper River Basin.
3. Local Valdez office for fishery registration, administrative and education needs.
4. Support for Valdez Police Department.

Maintain Funding for Alaska Department of Fish & Game Commercial Fisheries Budget

The legislature must recognize the need for a balanced approach to budget reductions that create minimal impacts on the core functions of fisheries resource management. Valdez and PWS fishermen rely on these functions to provide for maximum fishing opportunity and sustainable resource management. Key elements include;

1. Maintaining adequate staffing levels in PWS to provide for effective and dedicated fisheries management.

2. Full funding for in season data collection through aerial surveys, stream assessments and other methods. This establishes accurate in season reporting to provide the tools necessary to maximize fishing time and area for Valdez and PWS fishermen.
3. Ensure budget reductions do not reduce or eliminate economic opportunity for industry and resource users.
4. Continued support for ongoing research projects.

Support COVID-19 Disaster Relief for Commercial Fisheries and Seafood Processors

The commercial fishing and seafood processing industries are expected to face continued impacts from increases to operating costs and market challenges due to the COVID-19 pandemic in 2021 and beyond. Support of disaster funding to these critical industries is important to ensure the continued employment of the Valdez fishing industry and our nation's food security.

Support for Valdez City Schools 2021 Legislative Priorities

TRS/PERS

Beginning in 2016, legislators have attempted to raise the maximum employer contribution rates for PERS and TRS, in an attempt to shift costs from the state to local governments. Similar legislation introduced with substantial shifting of costs onto local governments would be devastating. The PERS/TRS system is the legal and moral responsibility of the State, as it is THEIR program. School districts simply pay an amount set by the State in order to be participants in the plan. We do not provide retirement benefits; we do not have a say in any of the fiduciary decisions.

Predictable Funding

School districts need reassurance of timely, reliable, and predictable revenue for schools; funding the true cost of education in all districts and providing full funding for all initiatives, laws, and mandates that require additional services. Early notification of funding is crucial to sound financial management, as well as recruitment and retention of quality educators.

Early Childhood Funding

Equitable access to fully funded, sustainable preschool programs provides a foundation of excellent social, emotional and cognitive instruction to students. Research clearly demonstrates that early intervention and instruction is one of the best ways to increase student achievement across all demographics and create the greatest opportunity for all students to read proficiently by 3rd grade. Early childhood education should be considered as part of the school funding through the BSA.

Fund Balance 10% Cap

Legislatures previously passed legislation suspending the 10% fund balance limit on the operating fund for FY20 due to the uncertainty of future years. Beginning in FY21, school districts have been rewriting what successful programs look like in these unprecedented times. Districts are forced to limit or not offer services that will have to be brought back into the budget in the future. The fund balance cap suspension needs to be continued until districts return to 'normal' operations, or a new normal is established.