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Member of the National League of Cities and the National Association of Counties

The Honorable David Wilson
Senate Finance Subcommittee: DCCED
Alaska State Legislature

February 10, 2021

Senator Wilson,

DCRA is in place to provide the support necessary for the regions of Alaska that Constitutional Convention delegates knew would need support to augment capacity they may not otherwise have. This was an important discussion relevant to the provision for unorganized boroughs in the State.

DCRA has seen numerous cuts to its budget, including unallocated reductions over the last two years. We would request from the Subcommittee a report from the Department about how these have been implemented, and what impact they have had. Please ensure that no further reductions occur, as at some point we are concerned that DCRA is doing less with less, which directly impacts the support necessary for local governments.

We would ask this Subcommittee to ensure that our Local Government Specialists have what they need to adequately support municipalities. This includes a review of the number of PCNs over time, compensation, retention, etc. We strongly encourage requesting testimony from local governments, who can comment on the service provided. It is worth asking about why the Local Government Specialist III has been left unfilled for so long. Can we clarify the intent in keeping positions open intentionally to meet budget needs, how many have been held open and for how long? How did this impact communities and the delivery of State support?

Finally, while we know that Community Assistance is a statewide item, outside the purview of this Subcommittee, we have to stress the priority Alaska's local governments place on this program, the distribution of which is the responsibility of DCRA. The failure to recapitalize the Fund, including vetoes to recapitalization this past year, have the effect of diminishing FY23 payments to levels that will place many local governments in peril, dangerously close to being unable to function.

AML stands ready to support any inquiries into impact or for more information. We are also happy to coordinate testimony, upon request from this Subcommittee.

Respectfully,

Nils Andreassen
Executive Director