



City of Valdez, Alaska - 2024 State Legislative Priorities

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Support Local Housing and Child Care Needs

The two biggest economic challenges currently being faced by Valdez residents are a lack of child care and a lack of housing options in our community. The City Council has identified housing and child care as their top two priorities. Valdez is not alone in this struggle and communities across Alaska are being adversely impacted by the lack of affordability, adequacy, and availability of childcare and housing. Local communities are doing what we can to address these dual crises but desperately need support from the state government.

Take Active Steps to Stabilize Alaska's Child Care Sector

The Valdez Child Care Crisis Task Force noted a need for sustained support from both state and federal governments to stabilize local child care economies. The state should consider:

- Helping providers navigate the licensure process by creating positions within the Child Care Program Office able to provide direct support to individuals wishing to become licensed child care providers.
- Creating a statewide shared services alliance or similar organization to allow child care professionals access to health insurance, benefits and administrative support.
- Passing legislation that increases access to funding or flexibly in use of existing child care assistance funds, such as HB 89, HB 46 or HB 206.
- Continuing to support flexibility in how individual communities approach child care challenges.

Support Housing Initiatives and Funding

We ask that the legislature and the governor maintain and expand funding for initiatives that directly aid local communities in addressing housing scarcity and affordability issues.

Increase Local Control in Municipal Property Taxation

Assessed values of homes have dramatically increased in Valdez in recent years and this creates significant hardship for many residents. However, state law significantly limits how local governments can respond to offer taxpayers some relief. We urge the Alaska Legislature to carefully reexamine AS 29.45 governing property taxation by local governments in Alaska and support efforts to add flexibility in allowable local tax exemptions, especially for residential properties.

Passage of SB 77 or HB 84 would provide some additional tools for local governments, but there is a larger need for local governments to be able to more freely govern their own taxation procedures.

Adequately Fund Public Education

We urge the Alaska Legislature and the Governor to adequately and equitably fund K-12 education in Alaska as the Alaska Constitution mandates. Support for education accounts for 19% of the city's annual appropriations. A significant disparity exists between organized and unorganized areas in the state in the level of state support received for education. The City of Valdez supports making state education funding mechanisms more equitable across community types.

Increase the Base Student Allocation

Years of the state funding schools at the same level and not accounting for major inflationary pressures equates to a cut to education funding by the state. The City of Valdez urges legislation be enacted to adjust the education funding formula outlined in AS 14.17 to account for inflation and supports the legislature passing HB 65, SB 52, or a similar measure.

Fund School Bond Debt Reimbursement and School Major Maintenance

The City of Valdez urges full funding of School Bond Debt Reimbursement as allowed under AS 14.11 and supports continued funding of the Department of Education and Early Development's School Major Maintenance Grant Program.

Prioritize a Stable and Attractive Public Retirement System

The quality of Alaska's Public Retirement System is important for recruiting and retaining public servants, especially our first responders. We believe the creation of a new defined benefits option within the state retirement system is desirable and is especially important for attracting and retaining emergency services personnel. The city urges the legislature to pass HB 22 or a similar measure.

Additionally, the current employer contribution of 22% required by AS 39.35.255 causes the City of Valdez and other municipalities to incur significant additional payroll costs with little direct benefit to our current employees. We encourage the Legislature to direct any windfalls of revenue toward paying off the still outstanding unfunded liability of the historic defined benefit tiers.

Support Fisheries and Mariculture Industries

Valdez is home to 41 permit holders and homeport to 91 vessels participating in various commercial fisheries and one of the largest purse seine salmon fisheries in Alaska. Each summer, up to 200 commercial vessels fish near the Solomon Gulch Hatchery, the Alyeska Marine Terminal and regulatorily closed waters. Additionally, Prince William Sound has an emerging mariculture industry with significant potential to drive economic diversification in the region.

Stable Funding of the Alaska Department of Fish & Game Commercial Fisheries Division

The Valdez fishing fleet relies on the Alaska Department of Fish & Game Commercial Fisheries Division to ensure maximum fishing opportunities and sustainable resource management. The legislature and the governor must recognize the need for a budget that minimizes adverse impacts on the core functions of this division.

Successful commercial fisheries in our region hinge on the following: maintaining adequate staffing levels in Prince William Sound to provide for effective fisheries management; fully funding in-season data collection activities; maintaining the division's ability to conduct accurate in season reporting; and providing support for ongoing research projects.

Fund of Alaska Seafood Marketing Institute

Alaska's seafood processors are experiencing unprecedented impacts to seafood markets due to increased production costs (inflation, interest rates, labor wages), reduced consumer demand post-pandemic, unfair trade policies, and geopolitical events. Global events have resulted in a weak Russian currency and dumping of Russian seafood, collapsing seafood markets, and built-up inventories which have led to the decline of ex vessel and first wholesale prices for all Alaska seafood, including salmon, pollock, cod, and sablefish. PWS fishermen and processors depend on strong markets to purchase annual production and provide for a stable business environment.

Mariculture

The City of Valdez is heavily invested in ensuring that the mariculture industry thrives in Prince William Sound and applauds legislative, regulatory and budgetary efforts on mariculture development at the state and federal levels. We encourage the legislature, the governor and the Alaska Department of Fish and Game to continue supporting this emerging industry.

Adequately Fund and Staff Essential State Services

The City of Valdez continues to urge the State of Alaska to maintain funding for essential services. Cuts to many services create a significant burden for the Valdez community and minimal savings for the State of Alaska.

Alaska Court System and Department of Law: The Valdez Police Department has noted significant delays in prosecution of criminal charges by the state and a lack of resources for conducting local trials.

- Maintain state funding for criminal prosecutions.
- Address staffing shortages causing delays in prosecutions.
- Ensure adequate staffing of the Valdez Courthouse to allow for regular local trials.

Department of Transportation and Public Facilities: The Richardson Highway and Alaska Marine Highway are lifelines for our community and there are various other state-owned roads, bridges and facilities in Valdez that require upkeep and attention.

- Maintain adequate snow removal in and around Valdez - including Thompson Pass and the Richardson Highway.
- Maintain and replace existing state roads and infrastructure as needed.
- Maintain regular ferry service and prioritize upkeep of the Marine Highway terminal in Valdez.

Department of Natural Resources, Division of Parks and Outdoor Recreation: Thousands of acres of State Park Lands surround Valdez and a lack of state support in managing these areas has caused a cost-shift to the City of Valdez.

- Reinstate a full-time Park Ranger Position to deal with maintenance and public safety issues in our state parks.

Department of Environmental Conservation, Division of Spill Prevention and Response: SPAR staff and resources play a key role in ensuring that oil is safely moved through Port Valdez and in making sure that there are resources available in the event of a major oil spill event.

- Support HB 244 increasing the Refined Fuel Surcharge to ensure future funding of oil spill response program.
- Maintain SPAR staff positions in Valdez.

Department of Administration, Division of Motor Vehicles: Maintain full staffing of the local DMV office which allows Valdezians to conduct business without having to travel more than 100 miles.

Department of Family and Community Services, Office of Children's Services: Maintain a local OCS position in Valdez to help ensure the safety of our community's most vulnerable children.

Department of Public Safety, Wildlife Troopers: Maintaining the Valdez post for an Alaska Wildlife Trooper is vital to the fishing community of Valdez and Prince William Sound. The presence of a Wildlife Trooper ensures an orderly fishery and maintains established boundaries for resource protection and marine traffic.

University of Alaska, Prince William Sound College: PWSC is a hub for training and education in our community. The City of Valdez encourages the continued support of Technical and Vocational Education programs at PWSC that support local industries of Oil and Gas, Mariculture, Healthcare and Outdoor Recreation.

State Grant Programs

The City of Valdez recognizes the importance of maintaining funding for various state-administered grant programs that provide essential funding to local governments and community organizations.

The following programs are particularly impactful for our community:

- **Regional and Community Jail Funding (DOC)** – Annually, the state provides essential monetary support to offset the cost of community jail operations. Valdez is one of 15 communities that contract with the state to operate jail facilities in lieu of the state taking on this public safety responsibility.
- **Alaska Community Transit Human Service Grant Program (DOT&PF)** – This grant program allows the Valdez Senior Center, a non-profit organization, to continue acting as the lead agency providing transit services to seniors and individuals experiencing disabilities. This program enables these vulnerable populations to participate in activities of daily life. The Valdez City Council passed Resolution #23-54 supporting the senior center's 2024 application for this grant.
- **Community Based Primary Prevention Program Grants (CDVSA)** – This grant program supports activities to prevent domestic violence in our state. In Valdez, the local non-profit Advocates for Victims of Violence relies on this funding source to aid individuals facing family or intimate partner violence.
- **Recreational Boating and Access Program (ADF&G)** – The City of Valdez is interested in pursuing funding through this program to improve the boat launch ramp at the Valdez Small Boat Harbor.

City of Valdez Capital Project Priorities

1. **Hermon Hutchinson Elementary (HHES) Roof & Exterior Envelope Replacement – \$9,528,585**
2. **Pavement & Utilities Rehabilitation Phase 4 - \$6,600,000**
3. **Valdez Harbor Launch Ramp Replacement - \$4,250,000**
4. **Public Safety Radio Network and Equipment Replacement - \$4,000,000**

DOT&PF Priority Projects

- **Richardson Highway Resurfacing & Safety Improvements (Airport Rd to Dayville)**
- **Mineral Creek Loop Road Resurfacing**
- **Mineral Creek Bridge (Bailey Bridge) Replacement**
- **Resurfacing and Lighting Improvements on Hazelet Ave.**