

**SB 77 – An act extending the termination date of the
Alaska regional economic assistance program**

Sponsor Statement

In 1988 the Alaska Regional Development Organizations program was created in statute. Commonly referred to as ARDORs, they are 11 private, nonprofit regional corporations formed by local initiative to promote private sector economic development within their designated regions. These organizations are comprised of nearly two hundred representatives of local political, social and economic interests, who serve on ARDOR boards of directors.

The Legislature has extended the previous sunset provision through June 30, 2005 and has funded the program from receipts of the AIDEA program; SB 77 extends that date to July 1, 2013.

ARDOR grants, which have been on average \$50,000.00 per ARDOR per year, are not tied to specific projects and may be used for operating expenses and to leverage dollars from other sources. Using state dollars brings in millions of additional dollars by leveraging federal, private and other funding sources. ARDORs are achieving significant success in sustainable development through the establishment of production and marketing cooperatives, improved access to capital, development and marketing of tourism destinations, technical assistance and training for local businesses and entrepreneurs, support to value-added production and proactive involvement in locally and regionally initiated economic development projects.

Sound economic development relies heavily on solid partnerships between the public and private sectors. The ARDORs were conceived to facilitate this kind of partnering and to bring a regional perspective to the discussion of economic development issues.

While not enshrining this valuable program, it is in the best interest of the state to allow these successful economic entities eight year's of growing room, rather than to come back to future Legislatures every other year. I urge your support of this important measure.