

FY19 RESPONSES TO LEGISLATIVE INTENT

DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT

In Compliance

Department of Commerce, Community and Economic Development Operating Budget (CCS HB 286)

It is the intent of the legislature that the Regulatory Commission of Alaska recommend adoption of updated telecommunication modernization regulatory standards in AS 42.05, the Alaska Public Utilities Regulatory Act, and deliver recommendations on how best to modernize outdated statutes to the House and Senate Finance Committees and to the Legislative Finance Division by February 19, 2019.

The Regulatory Commission is working on this response. Its process requires that after staff drafts proposed language, the matter is brought to a Public Meeting where it is discussed and voted upon by the Commission. Staff has forwarded proposed language to the Commission Chairman and it will be disseminated to the other Commissioners for consideration at the Public Meeting on December 12, 2018.

Legislative Fiscal Analyst Comment: Discussion to address the legislative intent occurred at the December 12 th meeting but nothing was finalized. The February 19 th deadline for the proposed statutory revisions is intended to be met by RCA.
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Community and Regional Affairs Operating Budget (CCS HB 286)

It is the intent of the legislature that the Department of Commerce, Community & Economic Development submit a written report to the co-chairs of the Finance Committees and the Legislative Finance Division by October 1, 2018, that shows:

- a) the amount each community in Alaska that participates in the National Flood Insurance Program has paid into the program since 1980, how much has been paid out for claims, and the average premium for a home in a special flood hazard area.*
- b) for the top five states that have received more in funds paid out than premiums paid into the program since 1980, the amount paid into the program, the amount of claims paid out of the program, and the average premium for a home in a special flood hazard area.*

The department submitted this report on October 1, 2018.

Alcohol and Marijuana Control Office Operating Budget (CCS HB 286)

It is the intent of the legislature that the July 1, 2019, appropriation of the unexpended and unobligated program receipts from the licensing and application fees related to the regulation of

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marijuana of the Department of Commerce, Community, and Economic Development, Alcohol and Marijuana Control Office, be limited to the cost of marijuana regulation for the fiscal year ending June 30, 2020, and that the remaining unexpended and unobligated balance of program receipts from the licensing and application fees related to the regulation of marijuana on June 30, 2019, lapse into the general fund.

The Alcohol and Marijuana Control Office intends to limit carryforward of marijuana revenue at the end of FY2019 to the amount budgeted in FY2020 for marijuana regulation.

It is the intent of the legislature that licensing and application fees related to the regulation of the marijuana industry be maintained at a level that allows for the sum of \$4,646,100 to lapse into the general fund, at which time licensing and application fees may be adjusted to cover anticipated annual operating costs for marijuana regulation.

The Alcohol and Marijuana Control Office acknowledges the legislative intent language, and will comply with the intent language and begin to lapse excess marijuana program receipts to the general fund in FY2019. At the October 17, 2018, meeting of the Marijuana Control Board, the board initiated a regulations project to evaluate increasing licensing fees in order to ensure self-sufficiency and to allow excess program receipts to lapse into the general fund.

It is the intent of the legislature that the Alcohol and Marijuana Control Office report to the co-chairs of the Finance Committees and the Legislative Finance Division by January 1, 2020, the amount of program receipts from the licensing and application fees related to the regulation of marijuana that lapsed into the general fund.

The Alcohol and Marijuana Control Office intends to comply with the intent language by providing a report by the required date of funds lapsed to the general fund at the end of FY2019.

Regulatory Commission of Alaska Operating Budget (CCS HB 286)

It is the intent of the legislature that the Regulatory Commission of Alaska produce a map of broadband coverage in the state, using the best available GIS data and technology. The Regulatory Commission of Alaska shall deliver a report summarizing mapping efforts and results to the Speaker of the House, the President of the Senate, the Co-Chairs of the House Finance Committee, the Co-Chairs of the Senate Finance Committee, and the Legislative Finance Division, by January 1, 2019.

The Regulatory Commission of Alaska (RCA) acknowledges the legislative intent language and will work with providers to report on the requested information. Some aspects of this request will require the voluntary participation of broadband providers. The RCA intends to submit an analysis by January 1, 2019.

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Legislative Fiscal Analyst Comment: The Regulatory Commission of Alaska mailed hard copies of the broadband report to the parties named in the intent language on December 28, 2018. In addition, they posted the report online at:

<http://rca.alaska.gov/RCAWeb/ViewFile.aspx?id=3C73660D-431F-4CAA-9186-C6183C7518CE>