

Department Overview FY2027 Budget



Julie Sande, Commissioner

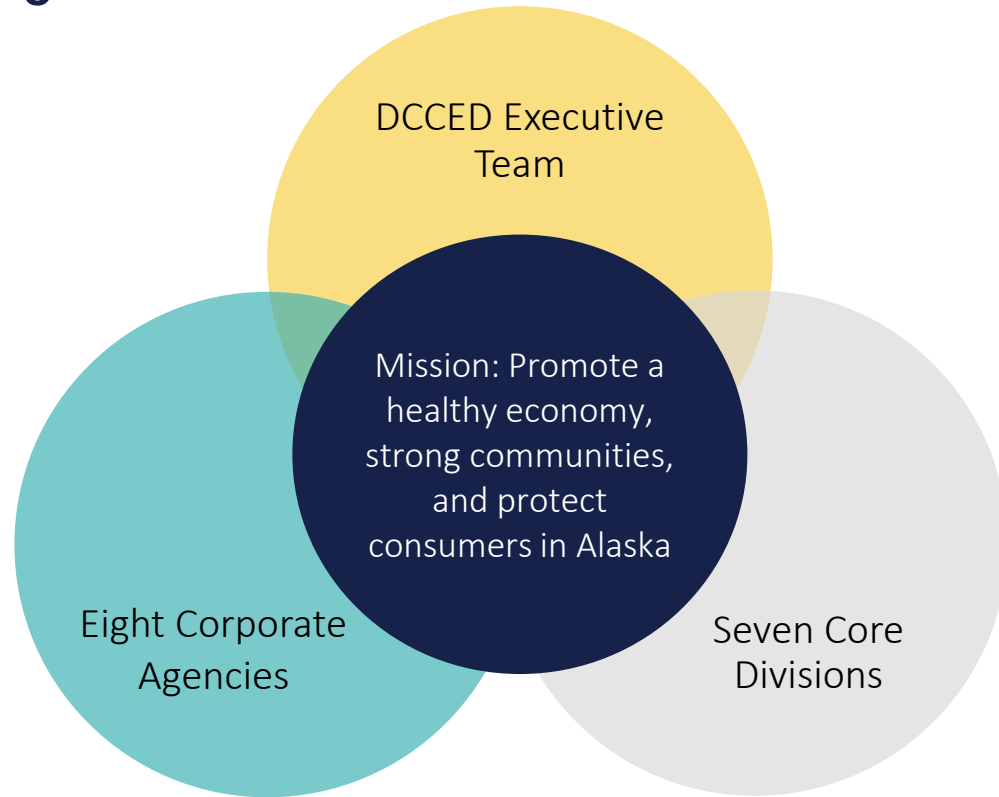
Hannah Lager, Administrative Services Director

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT

House Finance
Committee

02/25/2026

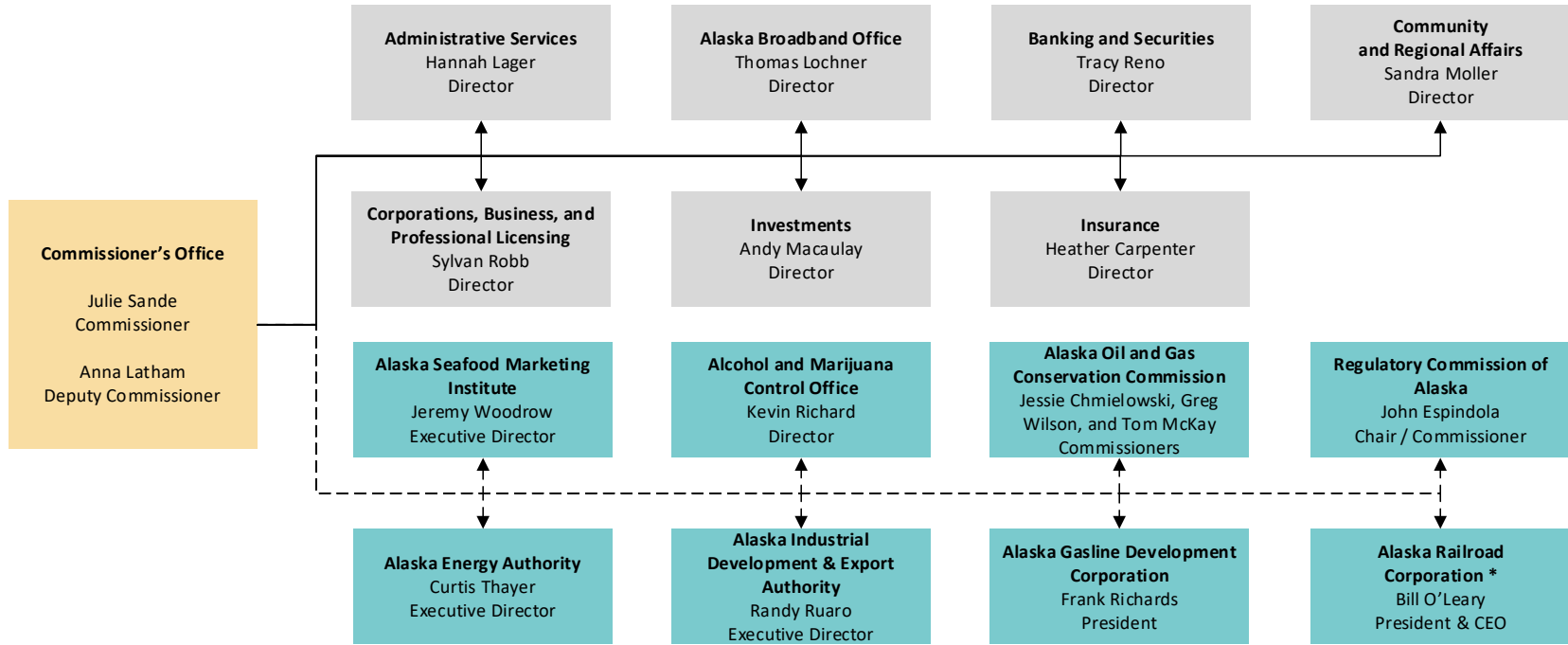
Mission and Organization



Department Overview

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT

Department Structure



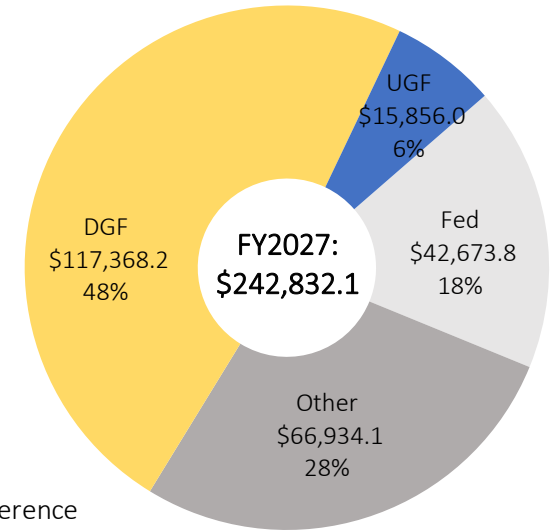
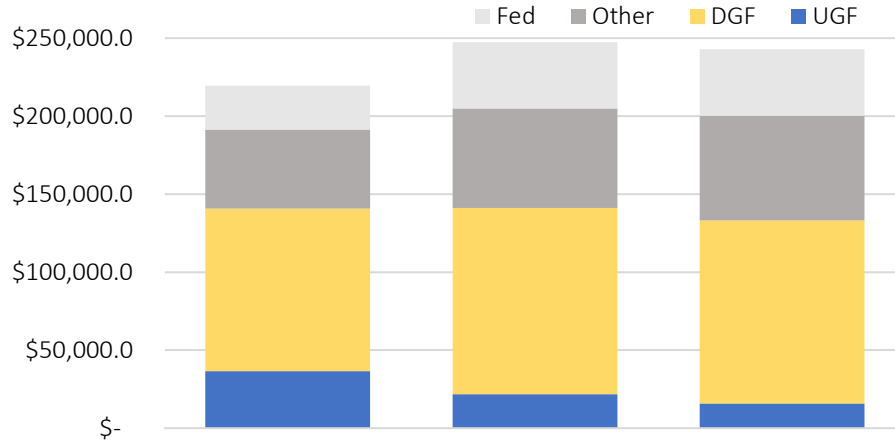
* The Alaska Railroad Corporation is housed within DCCED but exempt from the Executive Budget Act.



Department Overview

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Department Budget



	FY2025 Actuals	FY2026 Mgmt Plan	FY2027 Governor	\$ Difference FY2026 to FY2027	% Difference FY2026 to FY2027
Fed	\$ 28,070.4	\$ 42,563.7	\$ 42,673.8	\$ 110.1	0.3%
Other	\$ 50,692.5	\$ 63,707.0	\$ 66,934.1	\$ 3,227.1	5.1%
DGF	\$ 104,305.8	\$ 119,451.0	\$ 117,368.2	\$ (2,082.8)	-1.7%
UGF	\$ 36,476.9	\$ 21,722.7	\$ 15,856.0	\$ (5,866.7)	-27.0%
Grand Total	\$ 219,545.6	\$ 247,444.4	\$ 242,832.1	\$ (4,612.3)	-1.9%

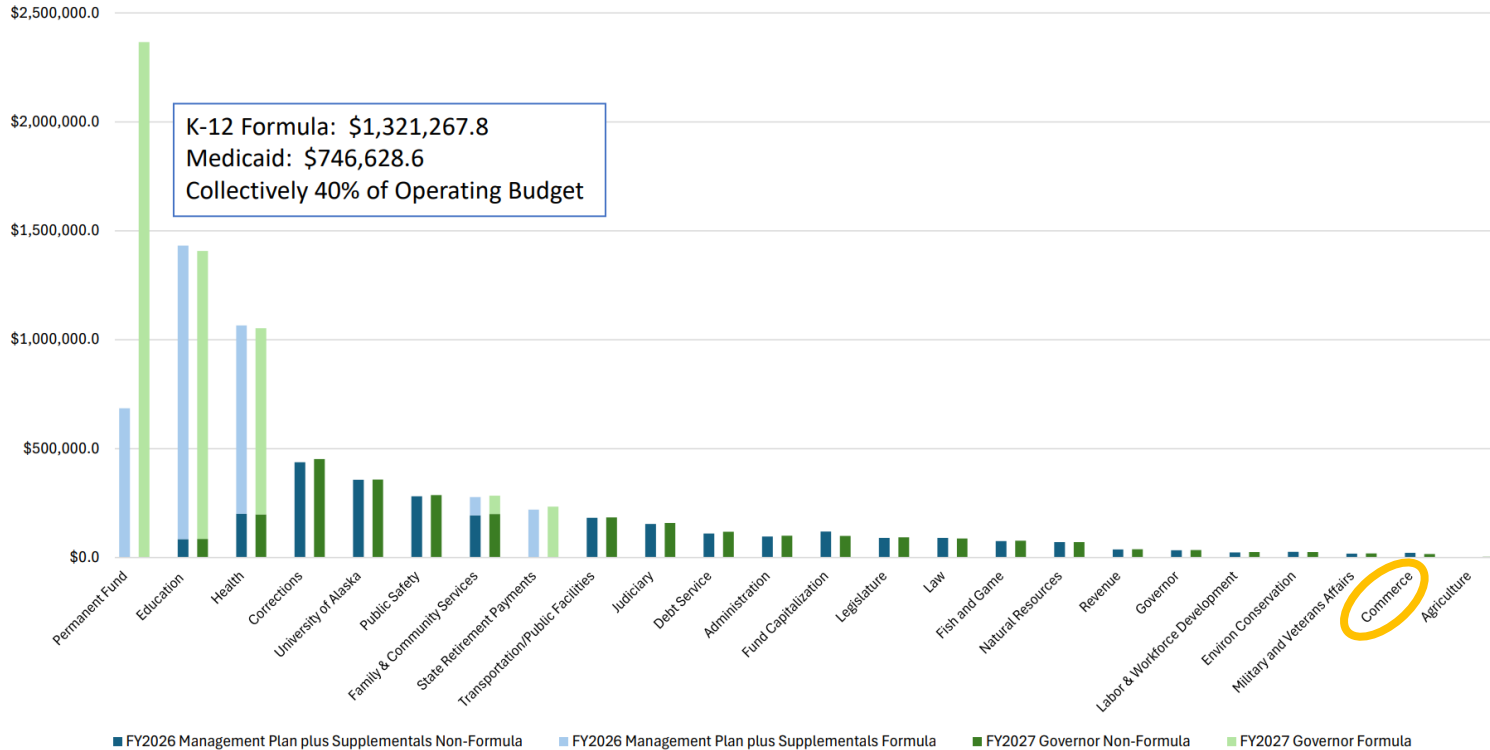


Department Overview

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT

\$ thousands

FY2027 Operating UGF by Department (Governor's Budget)



Source: OMB House Finance Committee Overview



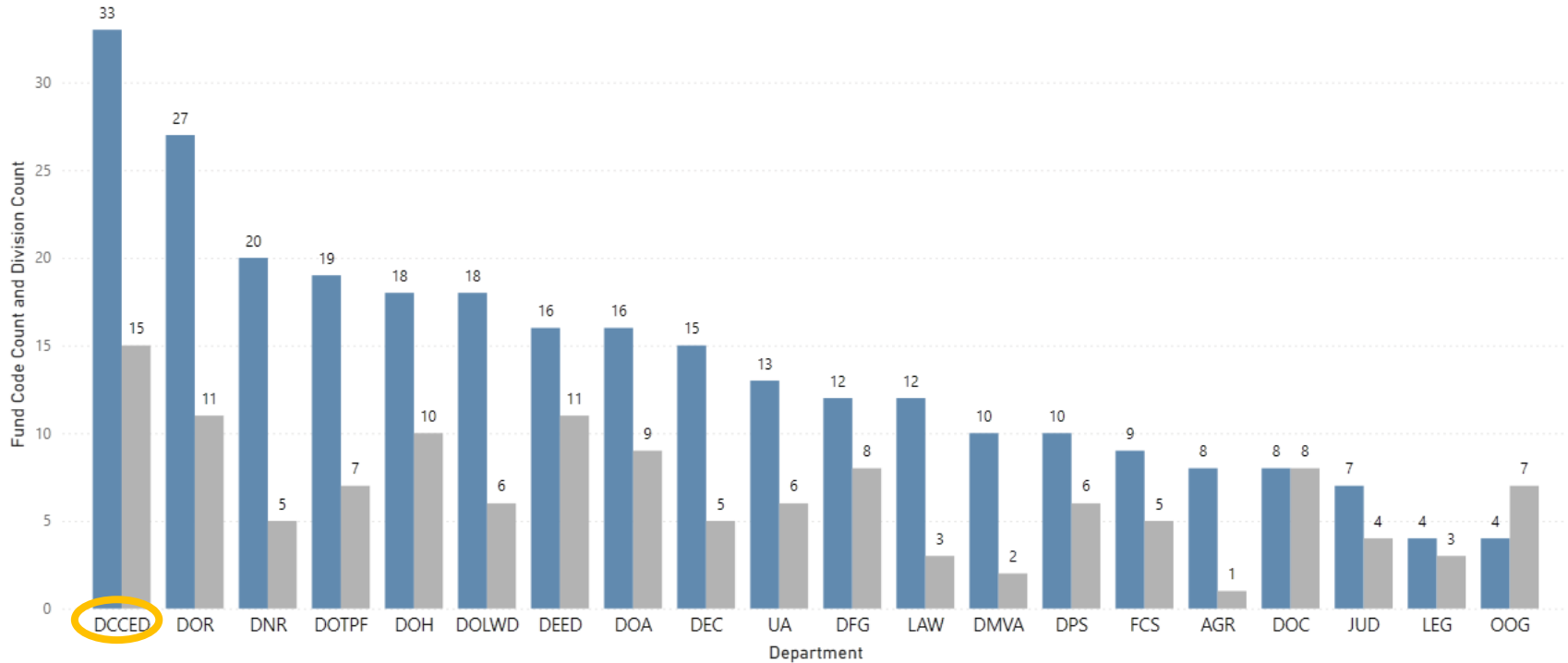
Department Overview

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\$ thousands

Fund Sources and Divisions by Department

● Fund Code Count ● Division Count



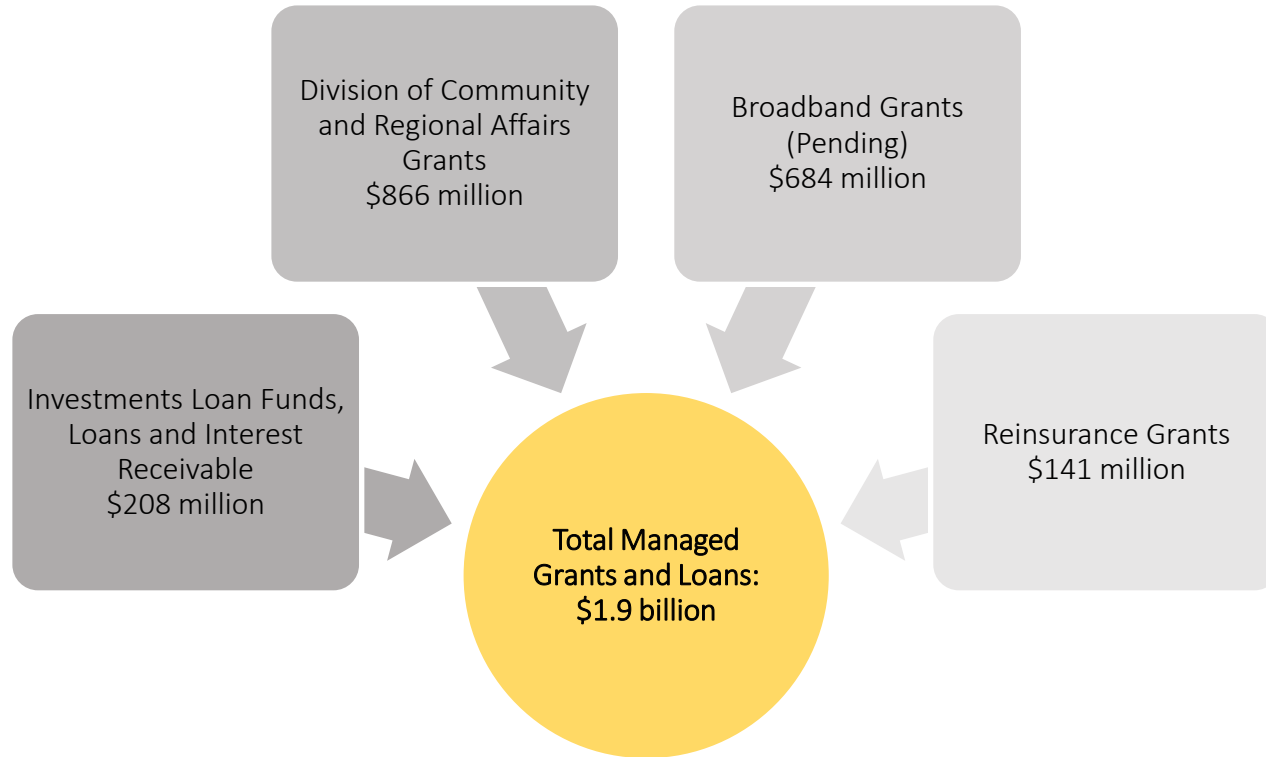
Data as of FY2027 Governor Scenario



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DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT

Portfolios Managed by the Department - Core Divisions



Department Overview

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Major Sources of Department Revenue Generation

Division	Revenue to the General Fund in FY2025	Source
Banking and Securities	\$19,397.1	Licensing receipts, fines, and forfeitures
Corporations, Business, and Professional Licensing	\$11,086.0	Business Licensing and Corporations registration receipts
Insurance	\$88,097.3	Insurance premium taxes
	\$2,527.5	Insurance licensing receipts
Alaska Industrial Development and Export Authority (AIDEA)	\$11,000.0	AIDEA dividend received in FY2025
Other department receipts	\$1,201.5	Other receipts received in the department
Total Contributed to General Fund in FY2025	\$133,309.4	

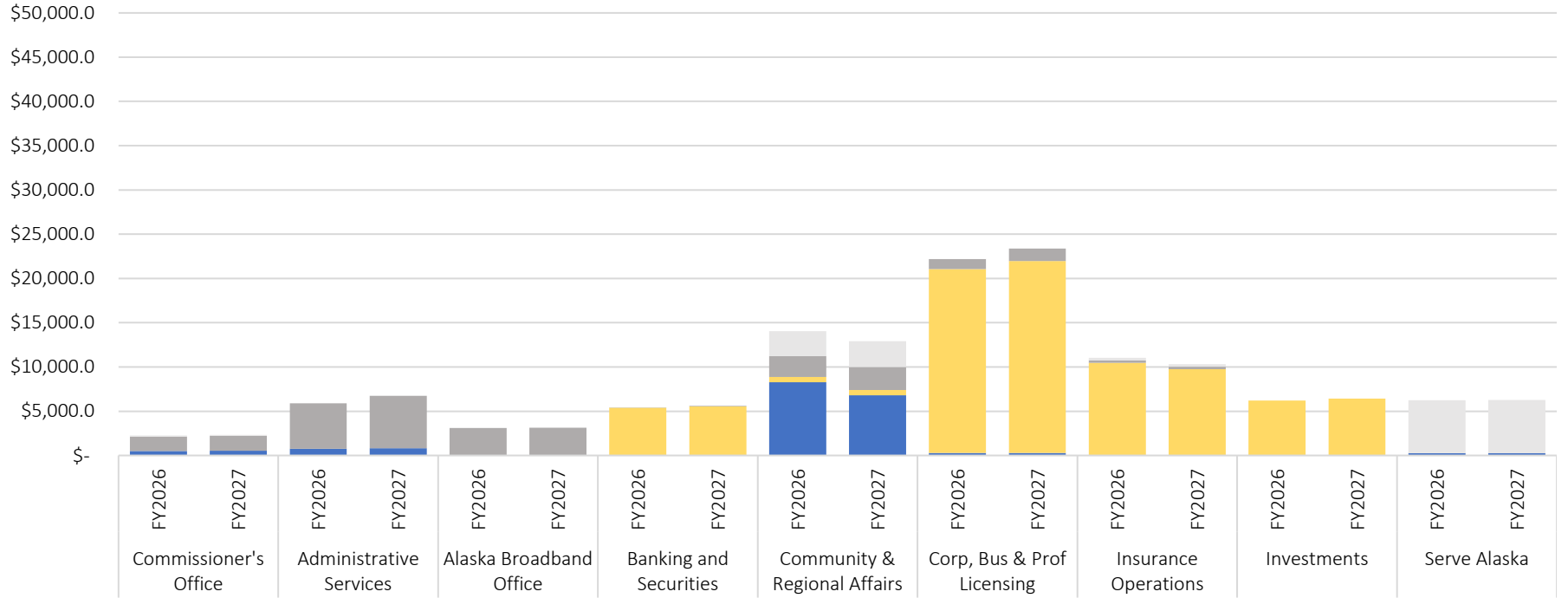


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\$ thousands

Core Divisions



■ UGF ■ DGF ■ Other ■ Fed

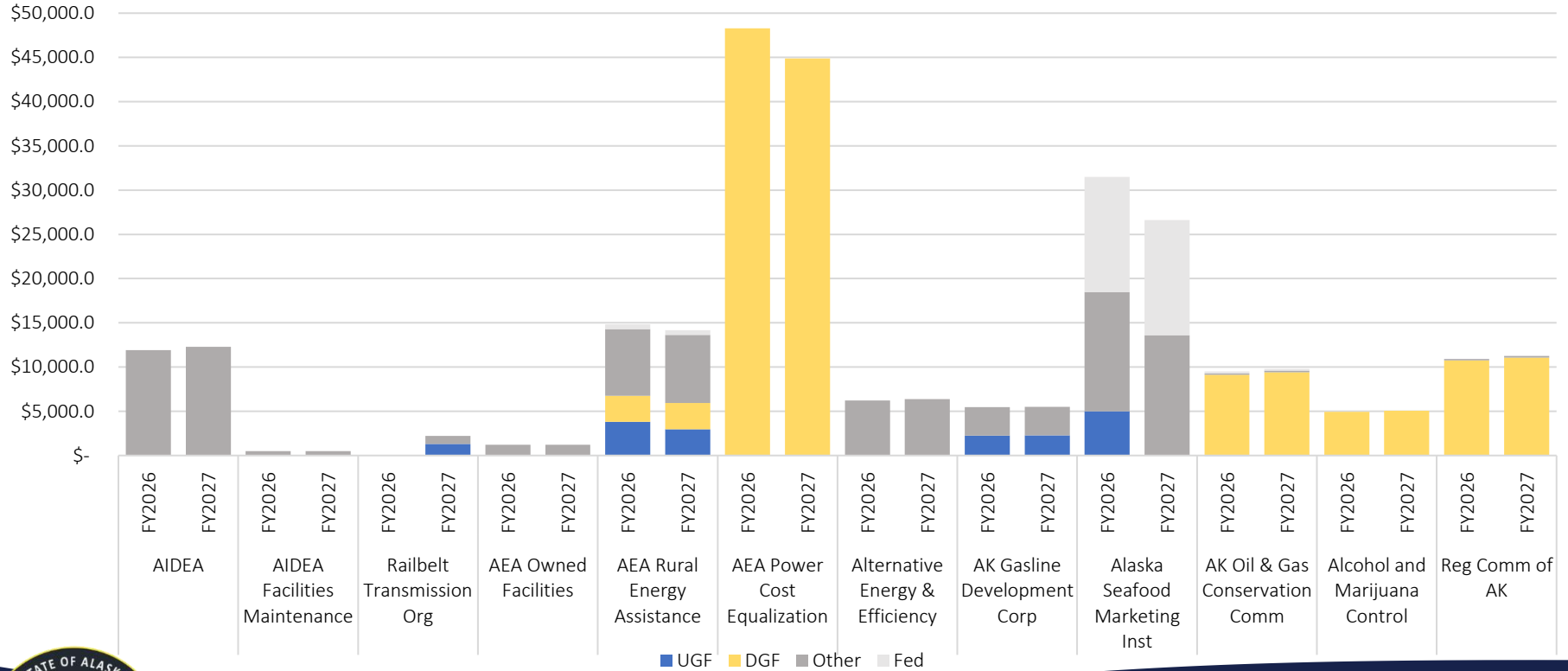
\$ thousands



Department Budget Overview

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Corporations, Commissions, Institutes, and Offices



\$ thousands



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FY2027 Significant Changes

Community and Regional Affairs

Continued Disaster Recovery efforts using federal funds in the capital budget

+\$533.1 capital improvement program receipts, +2 full-time positions

Corporations, Business, and Professional Licensing

Stabilize professional licensing fees by removing enforcement costs to receipts collected from business and corporations filings

Net zero fund change of \$4,200.0 from professional licensing to Business License and Corporations Filing Fees

Alaska Energy Authority

Establish the Railbelt Transmission Organization as a new component, and providing funding while the tariff is in development

Transfer authority from Rural Energy Assistance

+\$1,306.2 from the Railbelt Energy Fund as one time item

Alaska Gasline Development Corporation

Restore funding for the operating activities of the corporation at the same level as FY2026

+\$2,238.8 general fund as a one-time item



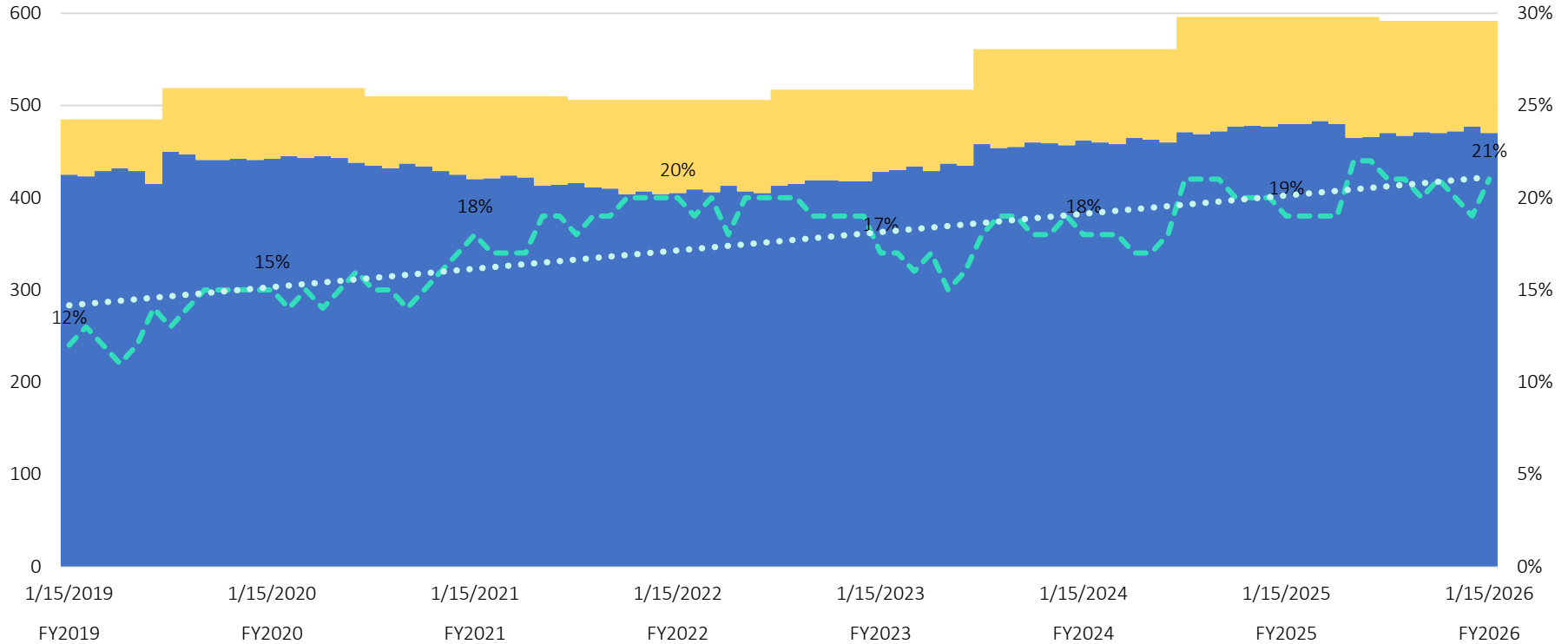
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\$ thousands

Vacancy Rates

■ Filled Count
 ■ Vacant Count
 - - - Vacant %
 ⋯ Linear (Vacant %)



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Committee Requested Topics



FY2026 Position Deletions and Restorations

- Seven vacant positions were deleted via the amendment process in SLA2025
- Deleted positions included sole support for critical programs, one was filled
- Four positions were recreated in FY2026 to support statutory or critical needs using existing authority

Component	Position Titles	Status When Deleted	Current Status
Commissioner's Office	Associate Director for International Trade	Vacant	Filled
Insurance	Actuary (AS 21.09.207, AS 21.14.030)	Vacant	Vacant
Alaska Seafood Marketing Institute	Intern	Vacant	- Deleted -
Alaska Oil and Gas Conservation Commission	Administrative Assistant 2	Vacant	- Deleted -
Regulatory Commission of Alaska	Utility Engineering Analyst 3	Filled	Filled
Regulatory Commission of Alaska	Utility Master Analyst (AS 42.04.050(a))	Vacant	Vacant
Regulatory Commission of Alaska	Communications Common Carrier Spec 3	Vacant	- Deleted -



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Updates on FY2026 Marketing Appropriations

Alaska Seafood Marketing Institute (AS 16.51.010)

\$5,000.0 Multi-Year Appropriation, FY2025 through FY2027 (UGF)

Bulk of activity occurring in FY2026

Alaska Travel Industry Association

\$2,500.0 Capital Appropriation in FY2026 (UGF)

Grant to named recipient under AS 37.05.316, administered by Division of Community and Regional Affairs

Past grants have been expended within two years



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\$ thousands

Grant Transaction Types in Community and Regional Affairs FY2026 and FY2027 Operating

- Appropriation transaction type influences grant length and future year structure

Inc - Increment

Used for increase of funding. The total increase to all line-item amounts must equal the total increase to all funding sources.

IncM – Increment Maintain

Used to restore one-time or temporary funding, or language section transactions, to maintain the level of services provided in the prior fiscal year.

IncOTI – Increment One-Time Item

Used for one-time funding that will be reversed in the subsequent fiscal year.

- Many grants are appropriated as one-time or temporary items and must be reversed in the next year's budget

IncT – Increment Temporary

Used for temporary funding increases for a specified period and purpose and for the same amount each year. Must be reversed each year.

Language Section

Use for appropriations in the language section of the operating budget bill(s).

OTI – One-Time Item

Used for reversals of one-time, temporary, and multi-year appropriations, and all language section transactions.



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Community and Regional Affairs Operating Budget Grants

Grantee	Transaction Type	Funding Source	FY2026	FY2027
Native Village of Napaimute – Kuskokwim Ice Road	<i>N/A, in base</i>	1004 General Fund (UGF)	\$185.0	\$185.0
Alaska Legal Services Corporation	<i>N/A, in base</i>	1004 General Fund (UGF)	\$400.0	\$400.0
Alaska Legal Services Corporation (AS 37.05.590, Language)	OTI / IncM each year	1221 Civil Legal Services Fund (DGF)	\$312.6	\$306.4
Rural Utility Business Advisor Grants	<i>N/A, in base</i>	1002 Federal (FED) and 1003 GF Match (UGF)	\$159.9	\$159.9
Life Alaska Donor Services	<i>N/A, in base</i>	1202 Anatomical Gift Awareness Fund (DGF)	\$80.0	\$80.0
Inter-Island Ferry Authority	<i>N/A, in base</i>	1004 General Fund (UGF)	\$250.0	\$250.0
Volunteers of America Alaska	IncT in FY2025 and FY2026	1004 General Fund (UGF)	\$1,100.4	-
Alaska Scholastic Clay Target Program (SCTP) (Language)	Inc	1234 License Plate Receipts (DGF)	\$7.0	-
Arctic Winter Games Team Alaska (AS 37.14.620(a))	OTI / IncM each year	1277 Arctic Winter Games Team Alaska Fund (DGF)	\$10.0	\$10.0
Alaska Marine Safety Education Association (Language)	OTI / IncM each year	1216 Boat Receipts (DGF)	\$200.0	\$200.0
Bristol Bay Science and Research Institute – Chum Salmon Assessment and Genetics Lab	IncOTI in FY2026	1004 General Fund (UGF)	\$500.0	-
Total			\$3,204.9	\$1,591.3



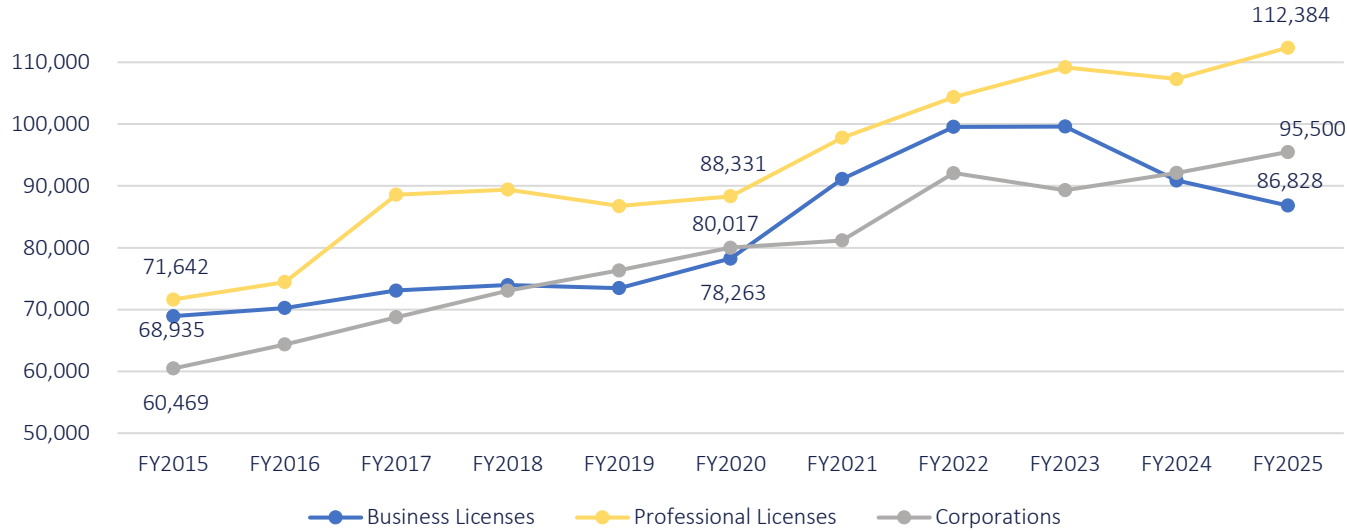
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\$ thousands

Corporations, Business, and Professional Licensing

License Counts



61% increase in professional license volume since FY2015

26% increase in business license volume since FY2015

58% increase in corporations filing volume since FY2015

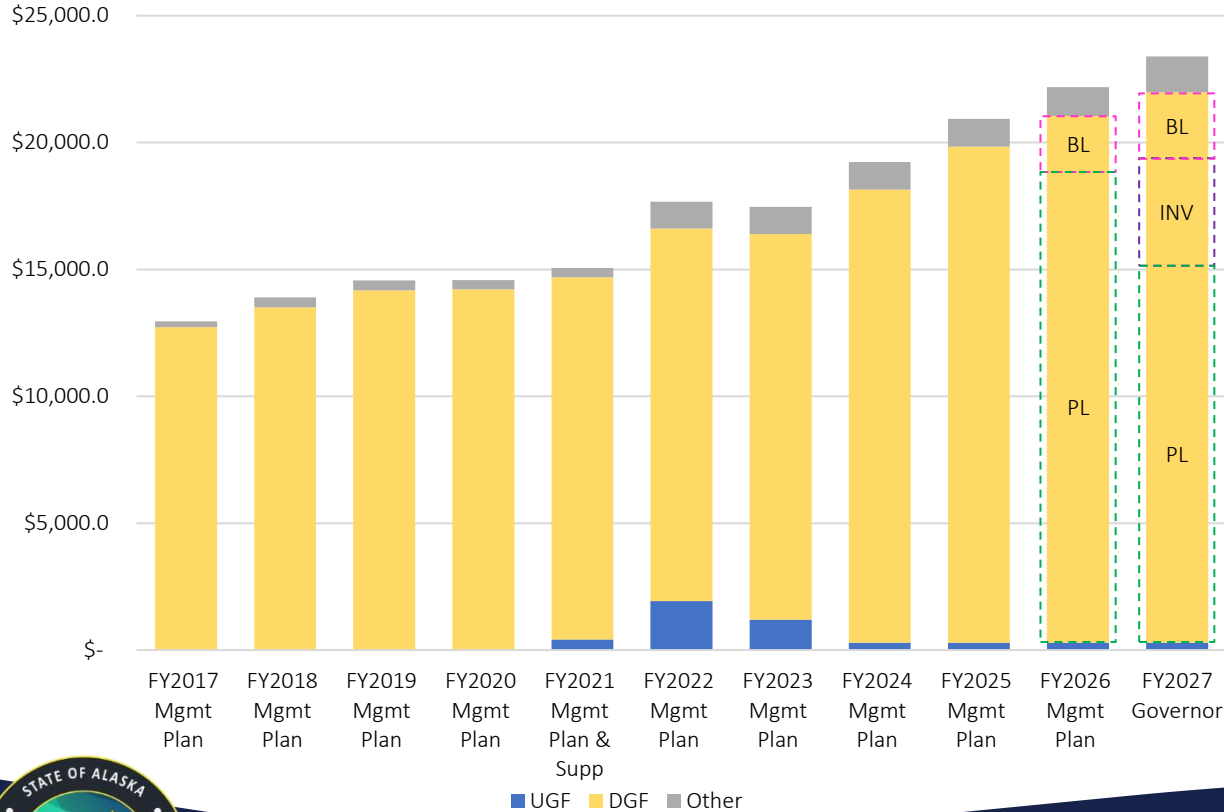
Professional Licensing Revenues and Expenditures – Includes Investigations Costs per Program:
https://www.commerce.alaska.gov/web/Portals/5/pub/CBPLschedule_of_revenues_2026_Q2.pdf



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Corporations, Business, and Professional Licensing History



- Programs projected to be in deficit were supplemented with general funds in FY2021, FY2022 and FY2023
- General Fund Program Receipts used to fund Big Game Commercial Services Board Executive Director in FY2024
- General funds used for investigative costs related to HB112 Profession of Pharmacy beginning in FY2024
- FY2027 proposal offsets \$4.2 million professional licensing receipts with business license and corporations receipts to stabilize licensing fees



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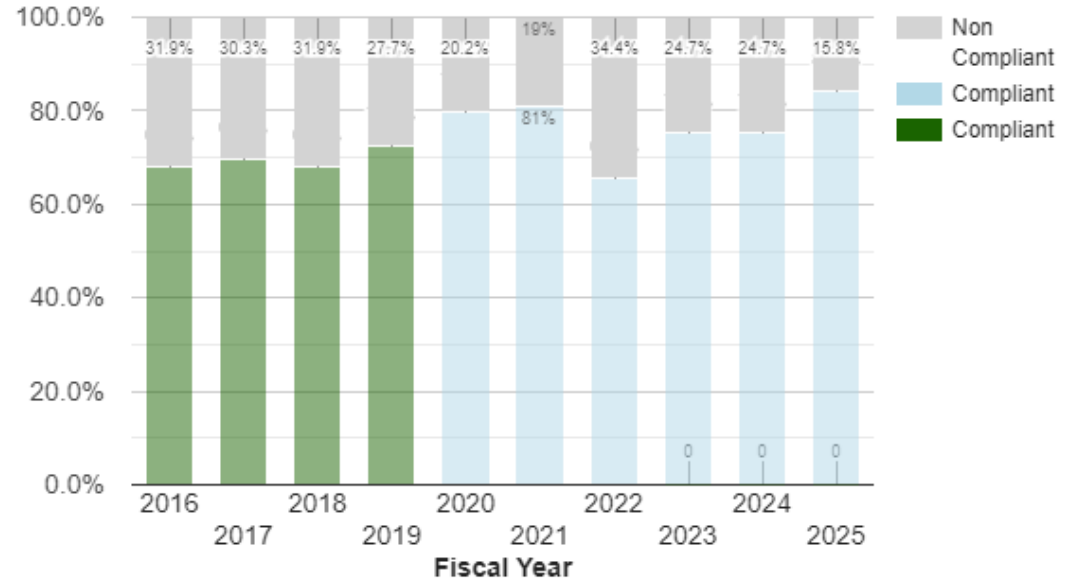
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\$ thousands

Performance Highlights



Communities (Public Entities) that are Compliant with Management Sustainability Indicators



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