

# Department Overview FY2026 Budget



**Julie Sande, Commissioner**

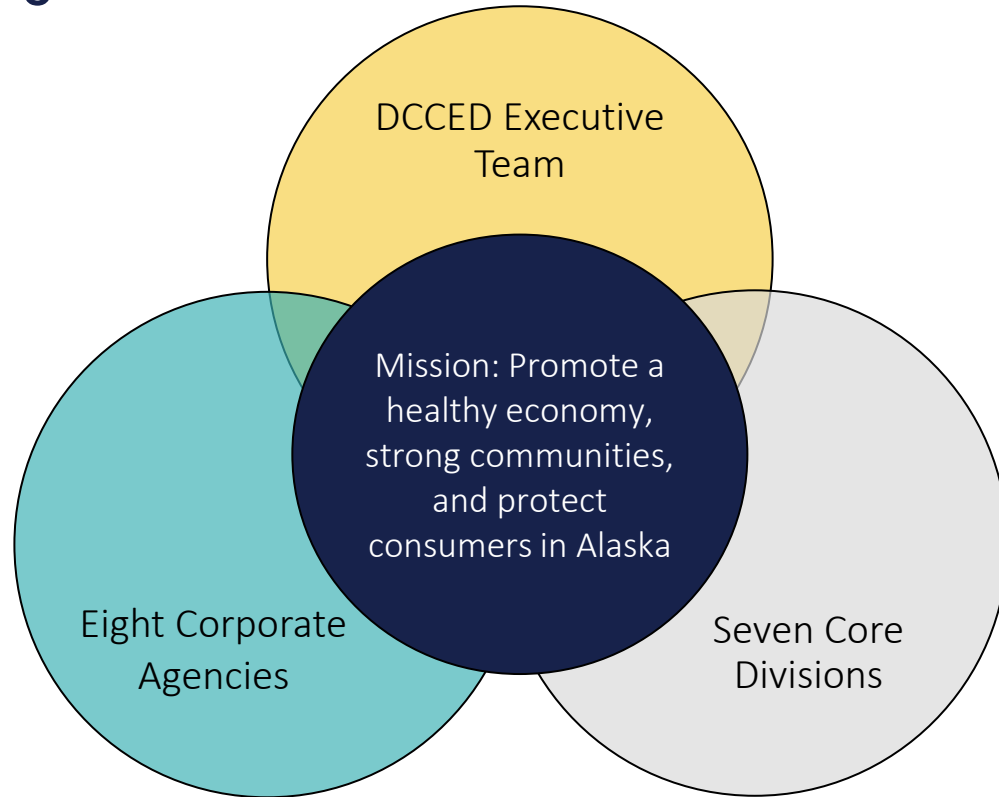
**Hannah Lager, Administrative Services Director**

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT

House Finance  
Committee

03/04/2025

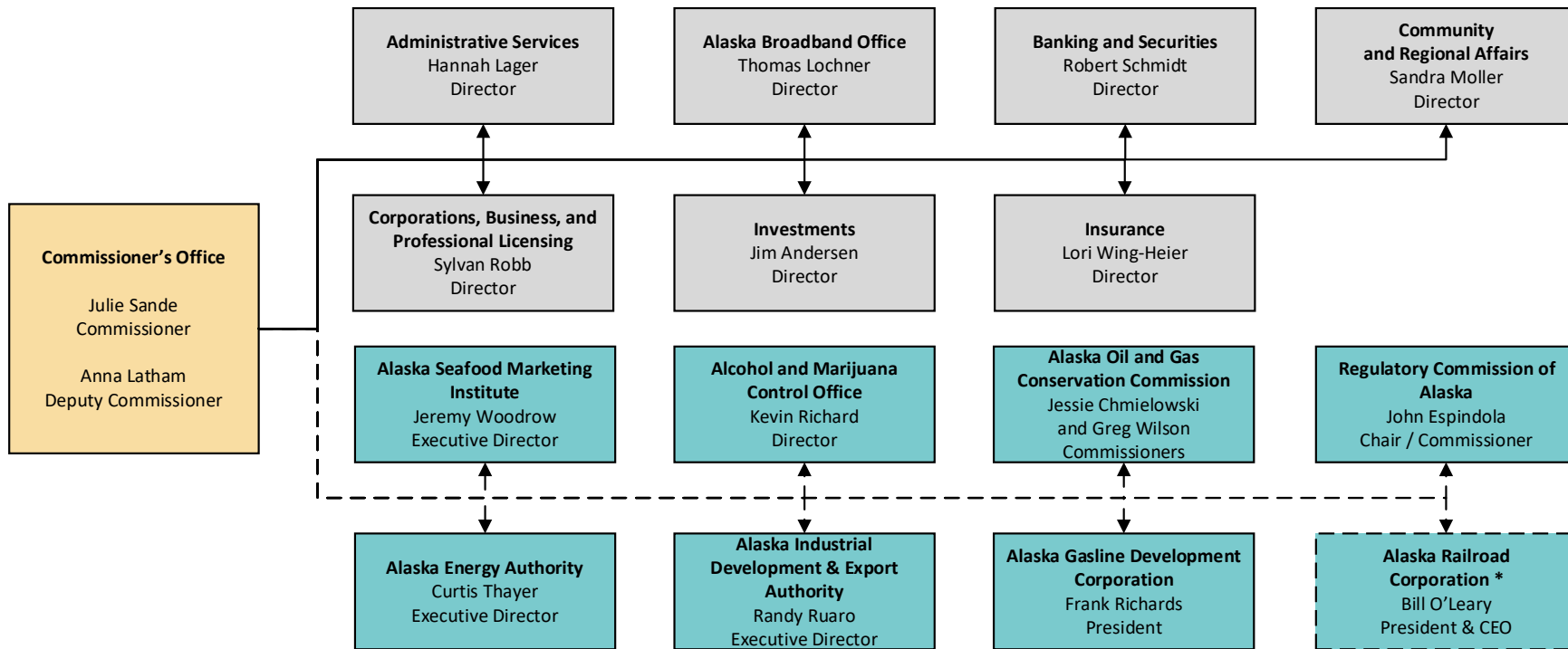
# Mission and Organization



## Department Overview

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT

# Department Structure



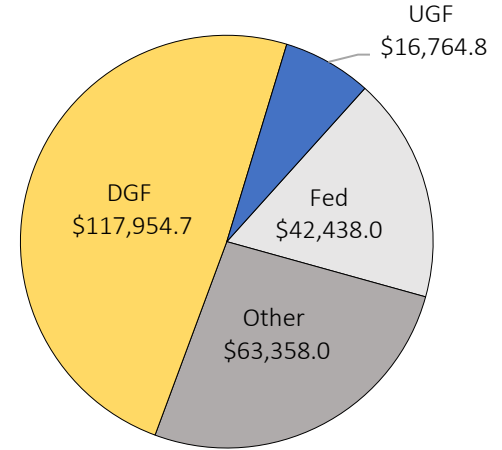
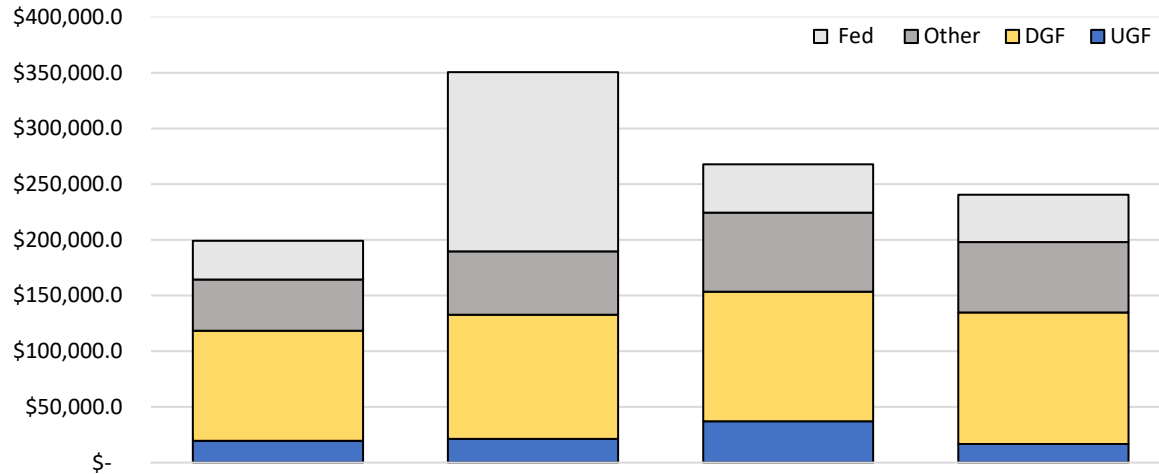
\* The Alaska Railroad Corporation is housed within DCCED but exempt from the Executive Budget Act.



## Department Overview

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT

# FY2026 Governor Operating Budget



		FY2024 Actuals	FY2024 Mgmt Plan	FY2025 Mgmt Plan	FY2026 Gov Amend	\$ Difference FY2025 to FY2026	% Difference FY2025 to FY2026
Fed	\$	34,886.8	\$ 161,049.2	\$ 43,456.4	\$ 42,438.0	\$ (1,018.4)	-2.3%
Other	\$	45,967.0	\$ 56,856.9	\$ 71,151.7	\$ 63,358.0	\$ (7,793.7)	-11.0%
DGF	\$	98,725.3	\$ 111,549.2	\$ 116,168.5	\$ 117,954.7	\$ 1,786.2	1.5%
UGF	\$	19,606.3	\$ 21,160.2	\$ 37,146.9	\$ 16,764.8	\$ (20,382.1)	-54.9%
<b>Grand Total</b>	<b>\$</b>	<b>199,185.4</b>	<b>\$ 350,615.5</b>	<b>\$ 267,923.5</b>	<b>\$ 240,515.5</b>	<b>\$ (27,408.0)</b>	<b>-10.2%</b>

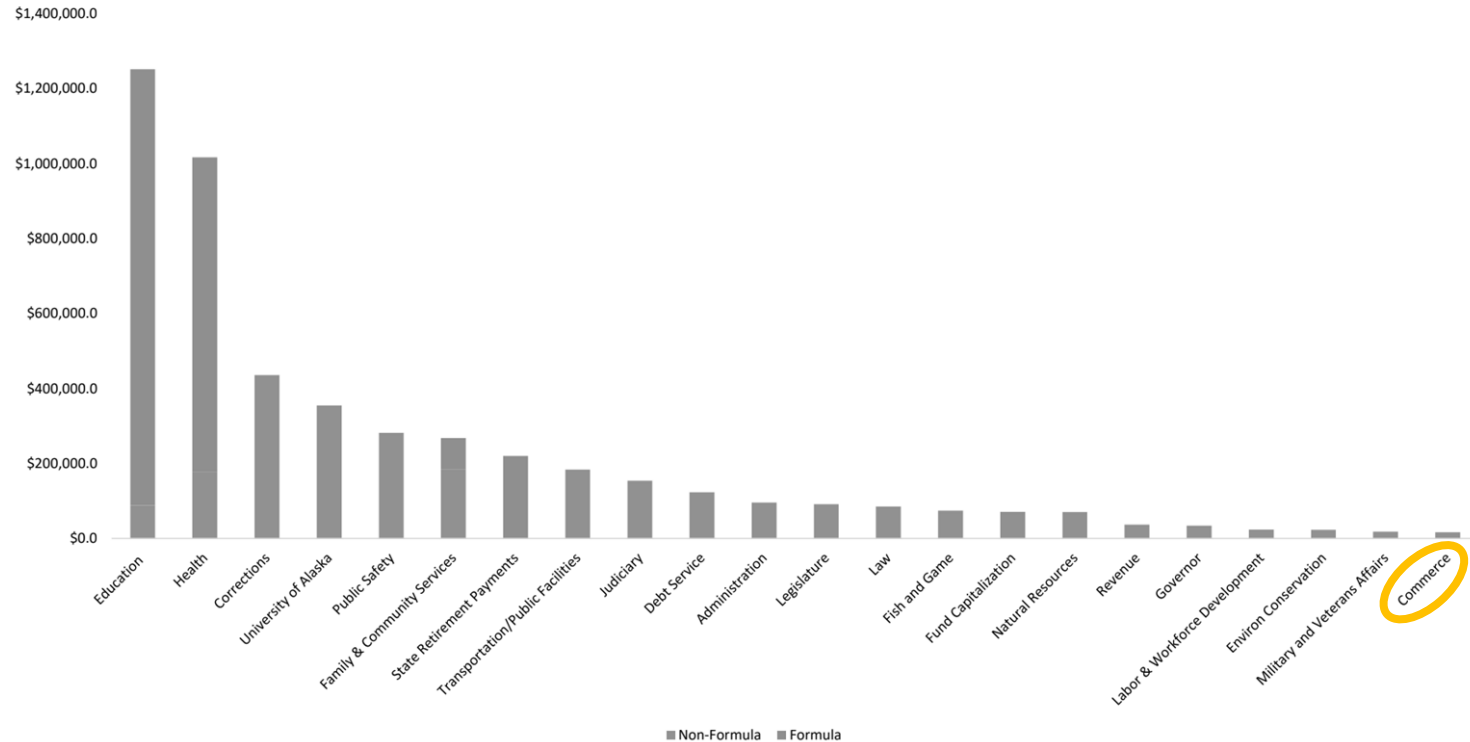


## Budget Overview

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT

\$ thousands

# FY2026 Operating UGF by Department (Governor's Budget)



Source: OMB House Finance Committee Overview



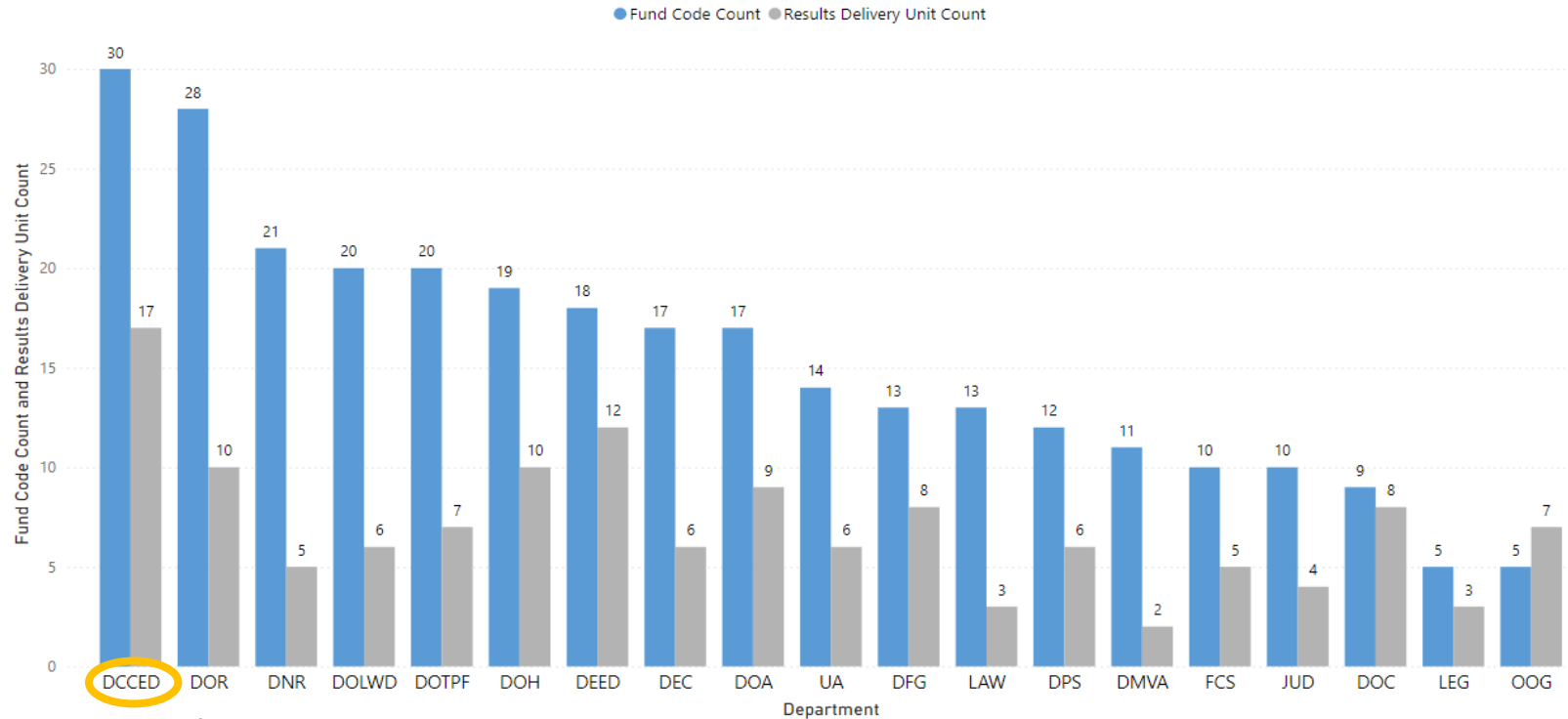
## Budget Overview

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT

\$ thousands

5  
03/04/2025

# Fund Sources and Results Delivery Units by Department



Data as of FY2026 Governor Scenario



## Budget Overview

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT

# Major Sources of Department Revenue Generation

Division	Revenue to the General Fund in FY2024	Source
Banking and Securities	\$18,160.4	Licensing receipts, fines, and forfeitures
Corporations, Business, and Professional Licensing	\$2,466.0	Business Licensing and Corporations registration receipts
Insurance	\$72,785.6	Insurance premium taxes
	\$2,915.9	Insurance licensing receipts
Alaska Industrial Development and Export Authority (AIDEA)	\$17,431.6	AIDEA dividend received in FY2024
Other department receipts	\$4,616.0	Other receipts received in the department
Total Contributed to General Fund in FY2024	<b>\$118,375.5</b>	



## Budget Overview

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT

\$ thousands

7  
03/04/2025

# Core Divisions





# Commissioner's Office

*Promote a healthy economy, strong communities, and protect consumers in Alaska.*

## FY2026 Governor Budget

**\$2,277.4:** \$544.3 UGF, \$1,633.1 OTHER, \$100.0 FED (5 PFT, 6 NP)



Legislative Relations



Boards & Commissions



Office of International Trade



Economic Development



Special Projects



Marketing Alaska



Commissioner  
Julie Sande



Deputy Commissioner  
Anna Latham



## Division Budget Overview

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT

\$ thousands

9  
03/04/2025

We must create a vision for  
the future of business in Alaska.

Not just for investors, but  
for the next generation of  
Alaskans to come.



## Division Budget Overview

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT

# Administrative Services

*Provide management information and support services for the department's programs.*



Director Hannah Lager

## FY2026 Governor Budget

### Administrative Services

**\$5,831.8:** \$729.2 UGF, \$5,102.6 OTHER (38 PFT)

### Facilities Rent State Owned

**\$1,614.5:** \$599.2 UGF, \$1,015.3 OTHER

### Facilities Rent Non-State Owned

**\$1,506.8** OTHER

#### Significant changes:

- Restructure Facilities components to align with intent language and AS 37.07.020(c).
- Add \$150.0 inter-agency authority to align with projected costs.



## Division Budget Overview

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT

\$ thousands

11  
03/04/2025

# Alaska Broadband Office

*Facilitate access to the full benefits of broadband with improved quality of service and lower costs.*



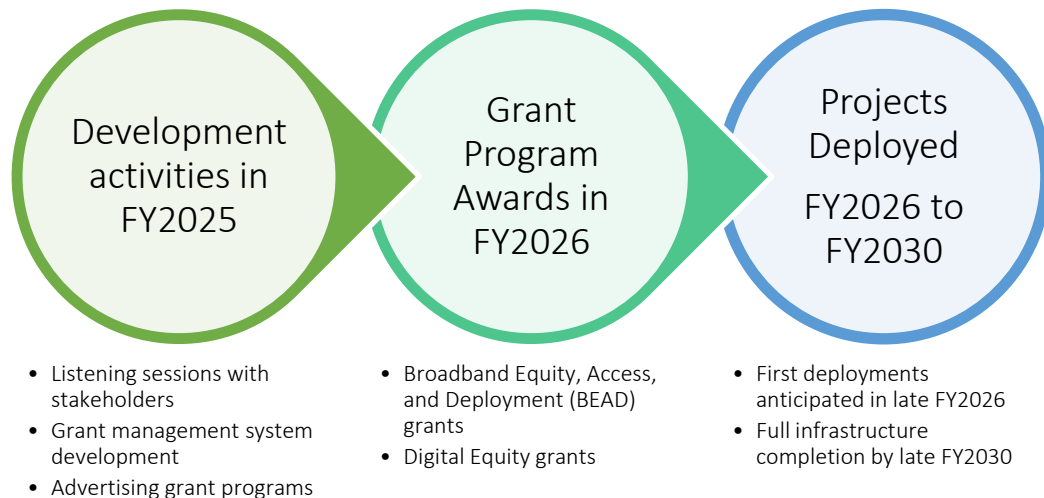
Director Thomas Lochner

## FY2026 Governor Budget

**\$3,146.3:** \$50.0 UGF, \$3,096.3 OTHER (5 PFT)

### Significant changes:

- Maintain Broadband office at current level.
- \$50.0 general funds for core services and allocated costs while the program ramps up.



## Division Budget Overview

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT

\$ thousands

12  
03/04/2025

# Banking and Securities

*Protect consumers of financial services and promote safe and sound financial systems.*



Director Robert H. Schmidt

## FY2026 Governor Budget

**\$5,239.9:** \$5,189.9 DGF, \$50.0 OTHER (27 PFT)

Contributed over **\$18 million** to the General Fund in FY2024

### Banking

- Four state-chartered banks
- One state-chartered credit union
- These institutions hold over \$6.3 billion in assets as of FY2024

### Securities

- Approx. 140,000 registrations issued
- Successful participation in five multi-state enforcement actions assessing over \$450.0 in civil penalties

### Non-depository Licenses

- Payday lenders
- Most mobile payment apps (PayPal, Venmo, Block, Square, Cash App, etc.)
- Cryptocurrency in Alaska (Robinhood, Coinbase, etc.)



## Division Budget Overview

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT



\$ thousands

13  
03/04/2025

# Community and Regional Affairs

Established in Article X of Alaska's Constitution,  
DCRA's services include:

- Local Government Assistance and Training
- Bulk Fuel Loan Fund
- Rural Utility Business Advisors
- Grant Administration
- Made in Alaska
- State Assessors Office
- Community Data and Publications
- Serve Alaska
- .....and so much more!



View the Grants Dashboard!

Community and Regional Affairs manages  
a total of **\$1.2 billion** in grant funds!



Director Sandra Moller

## Grants included in the FY2026 Operating Budget

	UGF	DGF
Alaska Legal Services Corporation	400.0	
Alaska Legal Services Corporation (language, Civil Legal Services) *		312.6
Alaska Marine Safety Education Association (language, Boat Receipts) *		198.0
Inter-Island Ferry Authority	250.0	
Life Alaska Donor Services (Anatomical Gift Awareness Fund)		80.0
Native Village of Napaimute – Kuskokwim Ice Road	185.0	
Volunteers of America Alaska	1,100.4	

\* Change records in FY2026 Governor scenario.



## Division Budget Overview

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT

\$ thousands

14  
03/04/2025

# Community and Regional Affairs

*Promoting strong communities and healthy economies.*



Director Sandra Moller

## FY2026 Governor Budget

### Community and Regional Affairs

**\$12,849.4:** \$7,596.8 UGF, \$600.9 DGF,  
\$1,925.9 OTHER, \$2,725.8 FED (52 PFT, 1 NP)

## Revenue Sharing

**\$22,728.2:** \$3,100.0 OTHER, \$19,628.2 FED

### Serve Alaska:

**\$6,209.0:** \$242.8 UGF, \$20.0 OTHER, \$5,946.2  
FED (3 PFT)

### Significant changes:

- Reflect current year funding for grants to Alaska Legal Services Corporation and Alaska Marine Safety Education Association.
- Add fiscal note that was not included in the FY2025 operating budget due to timing issues:
  - SB118 Critical Natural Resources, \$40.0 general funds
- Capitalize the Community Assistance fund in FY2026 to allow for payments of approximately:
  - \$23.3 million in FY2026
  - \$25.5 million in FY2027



## Division Budget Overview

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT

\$ thousands

15  
03/04/2025

# Corporations, Business, and Professional Licensing

*Inspiring public confidence through balanced regulation of competent professional and business services.*



Director Sylvan Robb

## Business Licensing

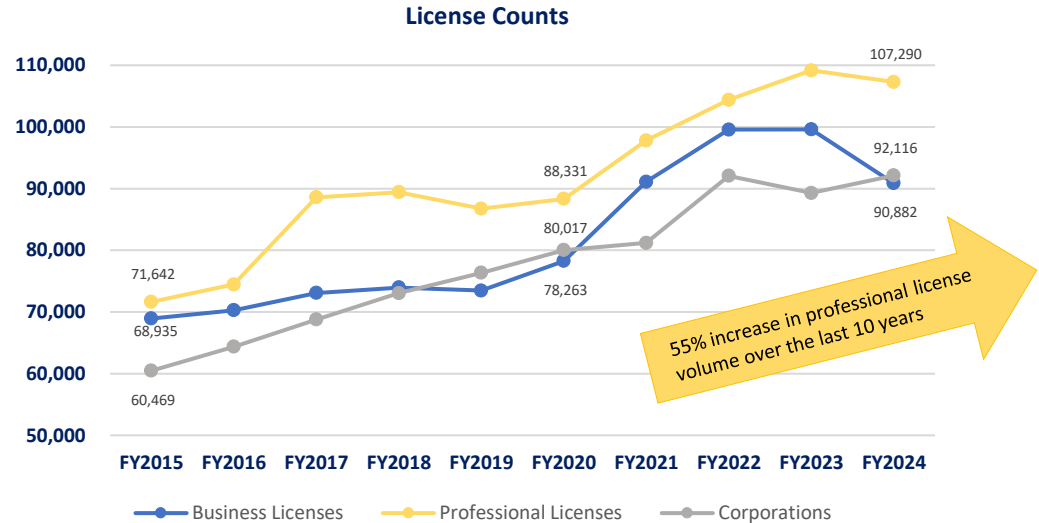
- 90,882 business licenses
- 1,684 endorsements
- 23.7% increase since FY2019

## Professional Licensing

- 44 programs, including 21 boards
- 107,290 professional licenses in FY2024
- 27.1% increase since FY2019

## Corporations

- 92,116 registered corporations in FY2024
- 20.7% increase since FY2019



## Division Budget Overview

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT



\$ thousands

16  
03/04/2025



# Corporations, Business, and Professional Licensing

*Inspiring public confidence through balanced regulation of competent professional and business services.*



Director Sylvan Robb

## FY2026 Governor Budget

**\$21,394.5:** \$289.5 UGF, \$19,993.5 DGF, \$1,111.5 OTHER (124 PFT; 4 NP)

### Significant changes:

- \$73.0 licensing receipts for Department of Law Regulation Review
- Add fiscal note that was not included in the FY2025 operating budget due to timing issues:
  - HB126 Professional Counselors, \$191.1 from licensing receipts



## Division Budget Overview

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT



\$ thousands

17  
03/04/2025

# Insurance

*Regulating the insurance industry to protect Alaskan consumers.*

## FY2026 Governor Budget

**\$9,958.0:** \$9,384.3 DGF, \$294.5 OTHER, \$279.2 FED (45 PFT, 1 NP)

Contributed over \$72 million to  
the General Fund in FY2024

### Significant changes:

- \$36.5 for Department of Law Regulation Review
- Maintain contractual actuarial support (multi-year)
- \$141.4, 1 position: Consumer Service Specialist for current volume of complaint cases and consumer inquiries



Director Lori Wing-Heier



## Division Budget Overview

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT



\$ thousands

18  
03/04/2025

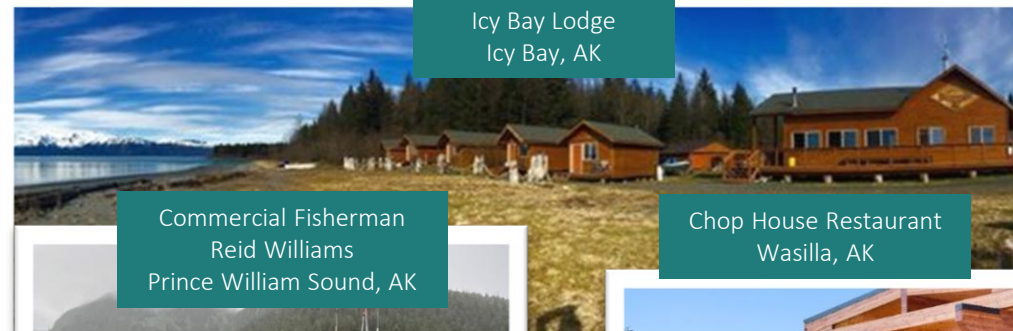
# Investments

*Promote economic development activities.*

FY2026 Governor Budget: \$6,007.6 DGF (36 PFT)



Director Jim Andersen



Icy Bay Lodge  
Icy Bay, AK



Alaska Shellfish Farms  
Halibut Cove, AK



Commercial Fisherman  
Reid Williams  
Prince William Sound, AK



Chop House Restaurant  
Wasilla, AK



JK Forest Products  
Thorne Bay, AK



## Division Budget Overview

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT



\$ thousands

19  
03/04/2025

# Offices, Commissions, and Corporations



# Alcohol and Marijuana Control Office

*Promote commerce in the licensed alcohol and marijuana industries and provide clear, consistent standards to protect public health and safety.*



Director Kevin Richard

## FY2026 Governor Amended Budget

**\$4,768.5:** \$38.3 UGF, \$4,730.2 DGF (24 PFT)

### Significant changes:

- \$36.5 licensing receipts for Department of Law Regulation Review
- \$150.0 licensing receipts for increased legal costs from the Department of Law and the Office of Administrative Hearings
- Revise carryforward language to keep licensing receipts with the programs
  - General fund investment in marijuana program setup has been fully recouped to the general fund as of FY2024



## Office Budget Overview

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT



\$ thousands

21  
03/04/2025

# Alaska Oil and Gas Conservation Commission

*Protect the public interest in exploration and development of Alaska's valuable oil, gas, and geothermal resources through the application of conservation practices designed to ensure greater ultimate recovery and the protection of health, safety, fresh ground waters and the rights of all owners to recover their share of the resource.*

## FY2026 Governor Amended Budget

**\$10,236.9:** \$780.6 UGF, \$9,081.3 DGF, \$175.0 OTHER, \$200.0 FED (34 PFT)



Commissioner  
Greg Wilson



Commissioner  
Jessie Chmielowski

### Significant changes:

- \$50.0 federal receipts to align with grant awards (FY2025 and FY2026)
- \$738.0 to continue general fund support for carbon storage in FY2026 as a one-time item; receipts planned for FY2027 as primacy over the carbon program is achieved and projects begin the permitting process



## Commission Budget Overview

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT



\$ thousands

22  
03/04/2025

# Regulatory Commission of Alaska

*Ensure that safe, efficient, and reliable utility and pipeline services are provided to the public at just and reasonable rates, thereby protecting consumer interests and promoting economic development.*

## FY2026 Governor Budget

**\$11,175.8:** \$11,023.0 DGF, \$152.8 OTHER (53 PFT, 3 NP)



Commissioner  
John Espindola

### Significant changes:

- Add fiscal note that was not included in the FY2025 operating budget at the end of last session:
- HB307 Integrated Transmission Systems, \$50.0 RCA Receipts



## Commission Budget Overview

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT



\$ thousands

23  
03/04/2025

# Alaska Gasline Development Corporation

*Advance the development, financing, construction and operation of a North Slope natural gas pipeline project, in-state natural gas pipelines and other transportation mechanisms capable of delivering natural gas and other non-oil hydrocarbons for the maximum benefit of Alaskans.*



President Frank Richards

## FY2026 Governor Budget

**\$5,730.7:** \$2,487.5 UGF, \$3,243.2 OTHER (4 PFT)

### Significant changes:

- Maintain operating costs at the same level as FY2025



## Corporation Budget Overview

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT

\$ thousands

24  
03/04/2025



# Alaska Energy Authority

*Reduce the cost of energy in Alaska.*

## FY2026 Governor Amended Budget

**\$70,560.1:** \$3,406.6 UGF, \$51,944.0 DGF, \$14,674.4 OTHER, \$535.1 FED (58 PFT, 12 NP)

### Owned Facilities

- Bradley Lake and Alaska Intertie Transmission management and administrative costs
- Reimbursement from Railbelt utilities based on actuals
- Costs for management and project accounting

### Rural Energy Assistance

- Personnel costs for core AEA operations
- Renewable Energy Grant Fund administration

### Power Cost Equalization

- Annual distribution to eligible communities
- Costs for management and project accounting

### Statewide Project Development, Alternative Energy and Energy Efficiency

- Newer federal programs
- Infrastructure, Investment, and Jobs Act (IIJA) personnel costs
- Grid Resilience and Innovation Partnerships (GRIP) personnel costs



Executive Director  
Curtis Thayer

### Significant changes:

- \$304.0 general funds for shared facilities rent, operations, and maintenance.
- \$3,100.0 capital improvement project receipts for personal services charged to capital projects.
- Fund change of \$710.0 from federal receipts to power cost equalization funds to maintain the circuit rider program.



## Corporation Budget Overview

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT

\$ thousands

25  
03/04/2025

# Alaska Industrial Development and Export Authority

*Promote, develop, and advance economic growth and diversification in Alaska by providing various means of financing and investment.*



Executive Director  
Randy Ruaro

## FY2026 Governor Budget

### AIDEA

\$11,921.1 OTHER (43 PFT\*)

### AIDEA Facilities Maintenance

\$802.5 OTHER

## Significant changes:

- Delete \$8.9 million duplicated receipts no longer needed for AEA positions
- Add authority to Facilities Maintenance budget to align with intent language and AS 37.07.020(c)
  - \$304.0 inter-agency receipts for rent received from AEA
  - \$110.0 AIDEA receipts to align total component costs with projected expenses

\*43 positions includes administrative positions shared with the Alaska Energy Authority.



## Corporation Budget Overview

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT

\$ thousands

26  
03/04/2025

# Alaska Seafood Marketing Institute

*Increase the economic value of Alaska seafood resources.*



Executive Director  
Jeremy Woodrow

## FY2026 Governor Budget

**\$26,556.5:** \$13,023.5 FED, \$13,533.0 OTHER (21 PFT, 1 NP)

### Significant changes:

- \$10 million for continued seafood marketing (multi-year FY2025 – FY2027)
- Reduce seafood marketing assessment receipts under AS 16.51.10 by \$3 million to better align with revenue projections



## Corporation Budget Overview

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT

\$ thousands

27  
03/04/2025

Julie Sande, Commissioner  
[Julie.Sande@Alaska.gov](mailto:Julie.Sande@Alaska.gov)

Hannah Lager, Administrative Services Director  
[Hannah.Lager@Alaska.gov](mailto:Hannah.Lager@Alaska.gov)



**Thank You!**

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT