



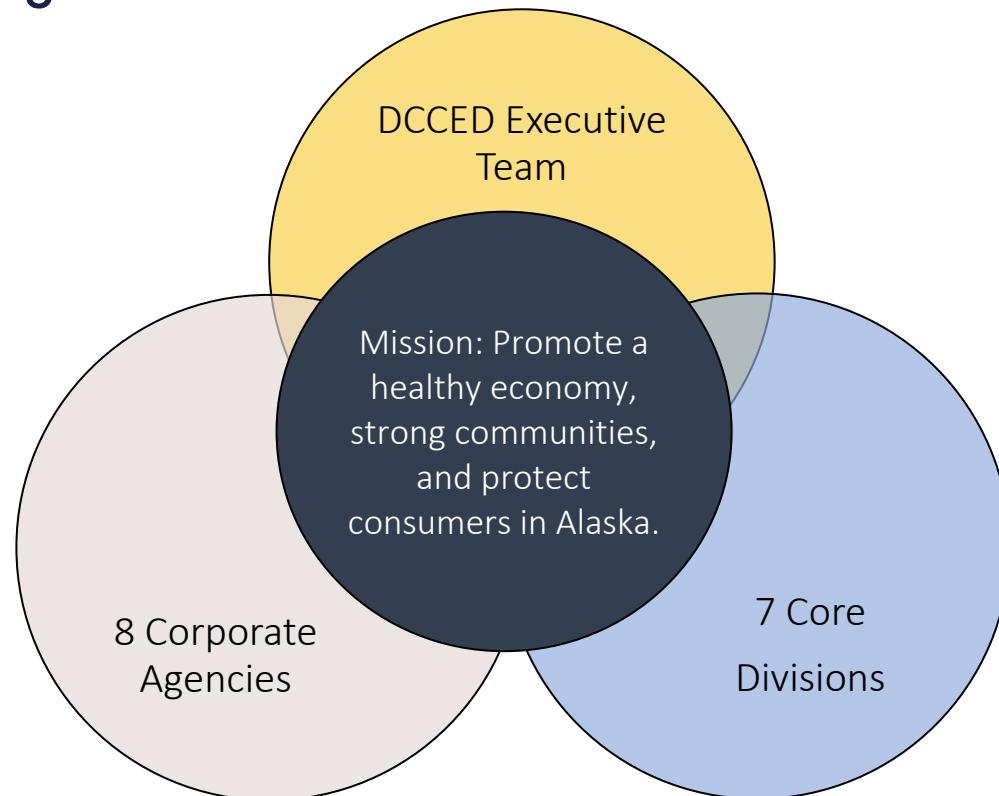
Department Overview FY2025 Budget



**Julie Sande, Commissioner
Hannah Lager, Administrative Services Director**
DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT

House Finance
Subcommittee
02/07/2024

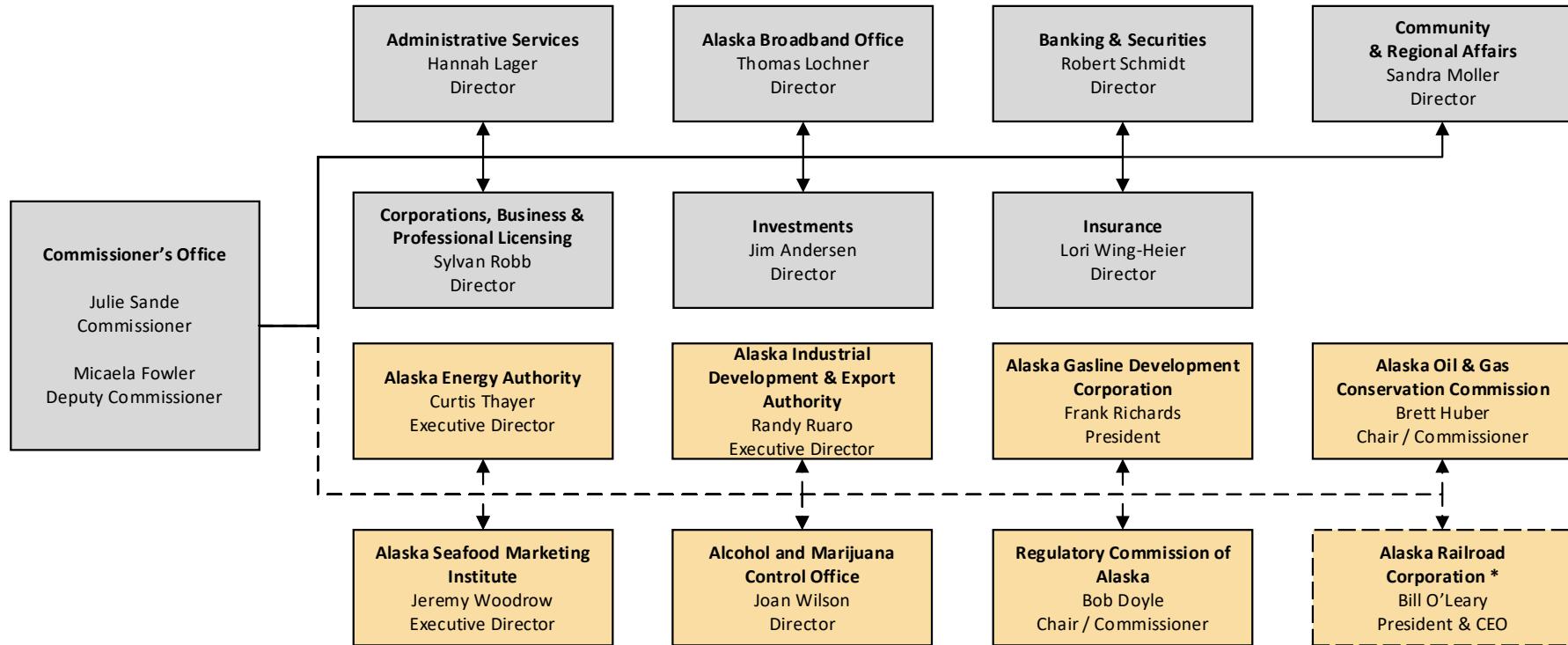
Mission and Organization



Department Overview

DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT

Department Structure



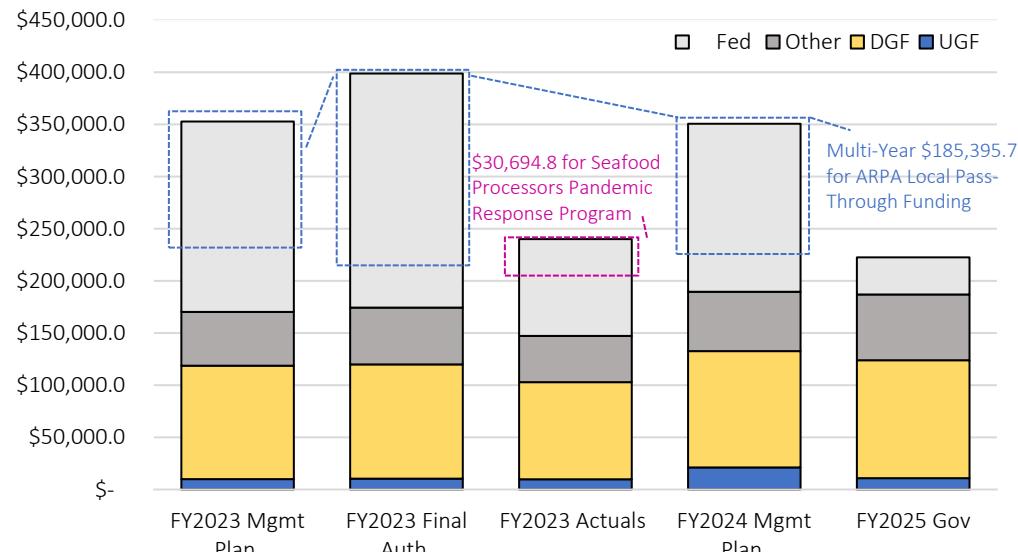
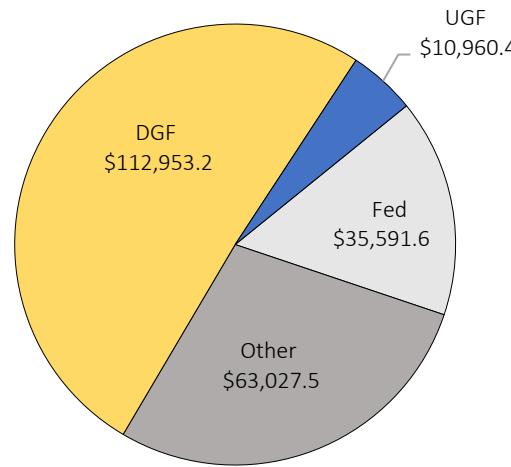
* The Alaska Railroad Corporation is housed within DCCEB but exempt from the Executive Budget Act.



Department Overview

DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT

FY2025 Governor Budget



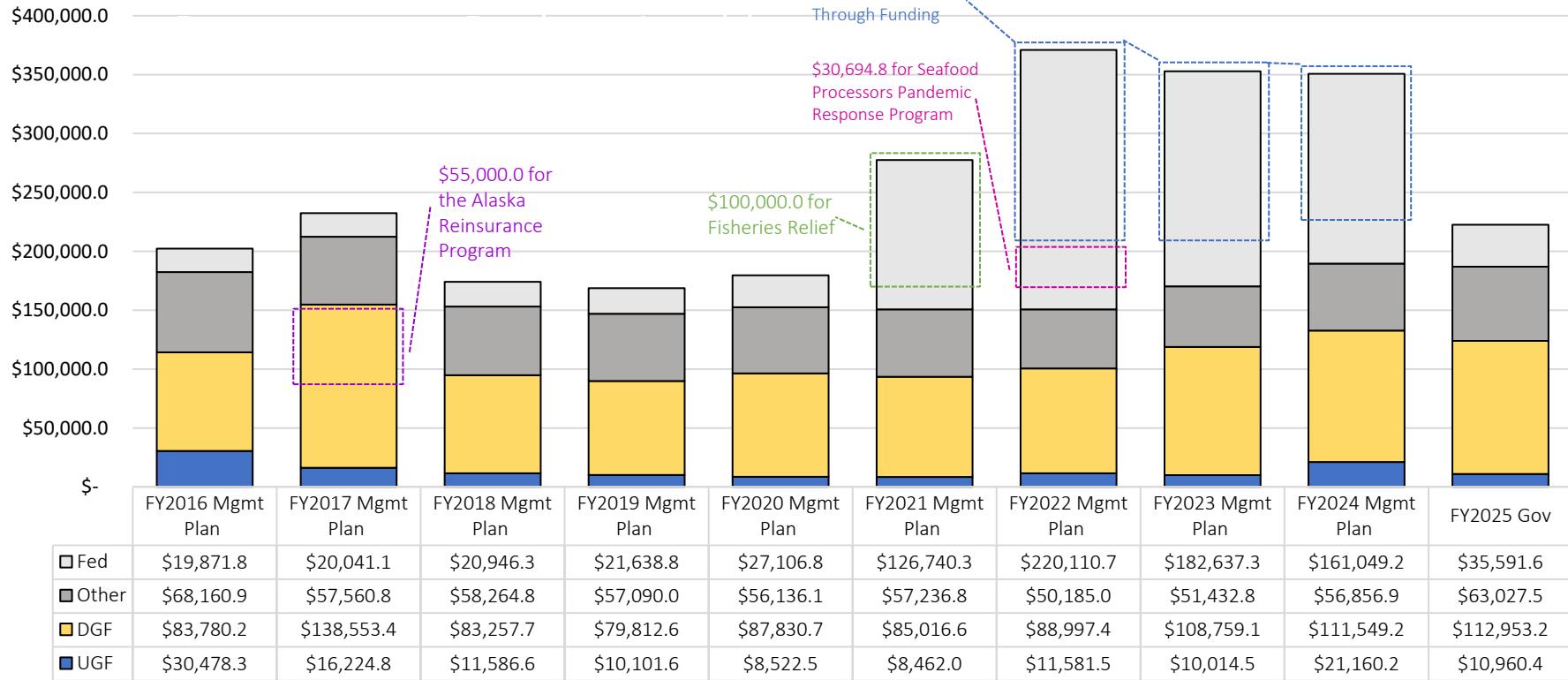
	FY2023 Mgmt Plan	FY2023 Final Auth	FY2023 Actuals	FY2024 Mgmt Plan	FY2025 Gov	\$ Difference FY2024 to FY2025	% Difference FY2024 to FY2025
Fed	\$182,637.3	\$224,279.2	\$92,888.3	\$161,049.2	\$35,591.6	\$ (125,457.6)	-78%
Other	\$51,432.8	\$54,568.6	\$44,342.6	\$56,856.9	\$63,027.5	\$6,170.6	11%
DGF	\$108,759.1	\$109,527.9	\$92,977.0	\$111,549.2	\$112,953.2	\$1,404.0	1%
UGF	\$10,014.5	\$10,374.7	\$9,906.5	\$21,160.2	\$10,960.4	\$ (10,199.8)	-48%
Grand Total	\$352,843.7	\$398,750.4	\$240,114.4	\$350,615.5	\$222,532.7	\$ (130,311.0)	-37%



Budget Overview

DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT

\$ in Thousands

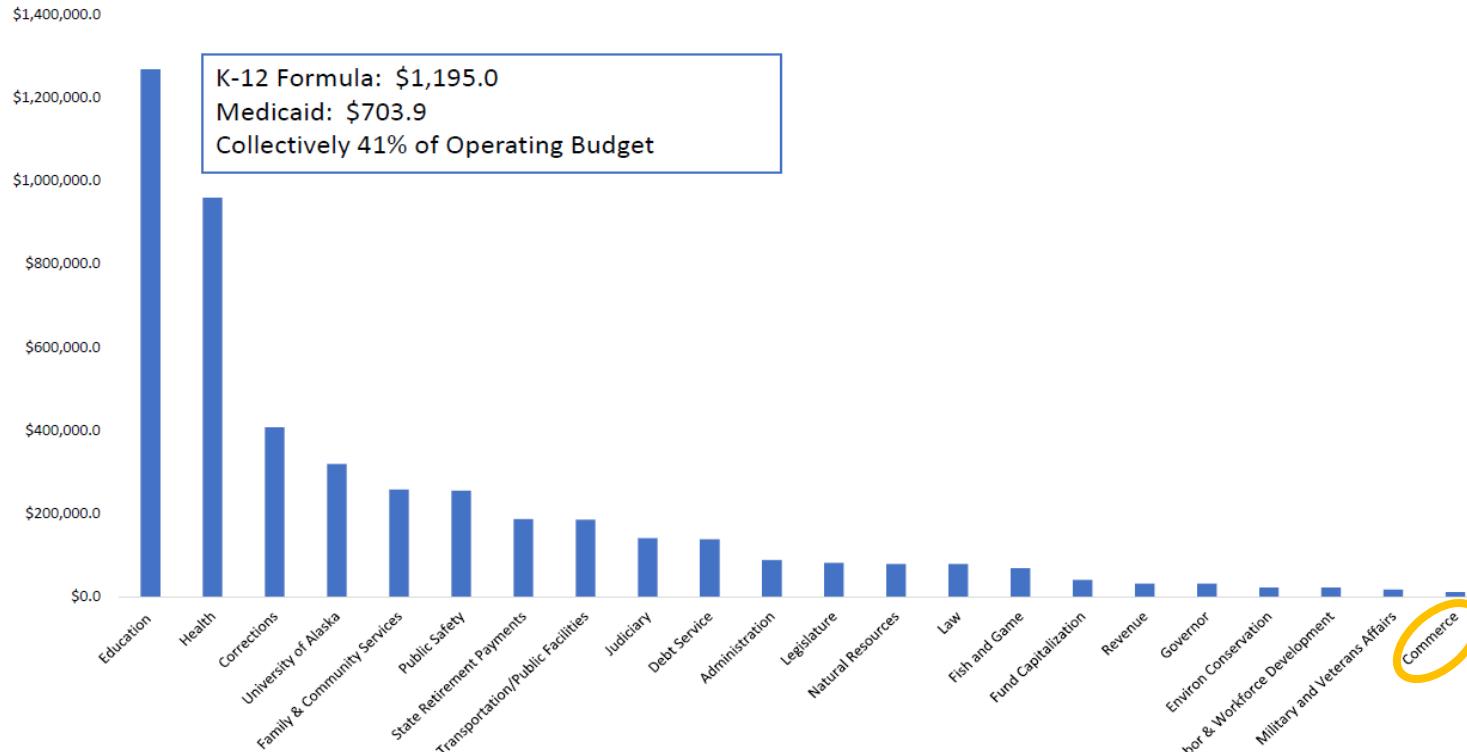


Budget Overview

DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT

\$ in Thousands

FY2025 Operating UGF by Department (Governor's Budget)



Source: OMB House Finance Committee Overview

\$ in Thousands

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02/07/2024

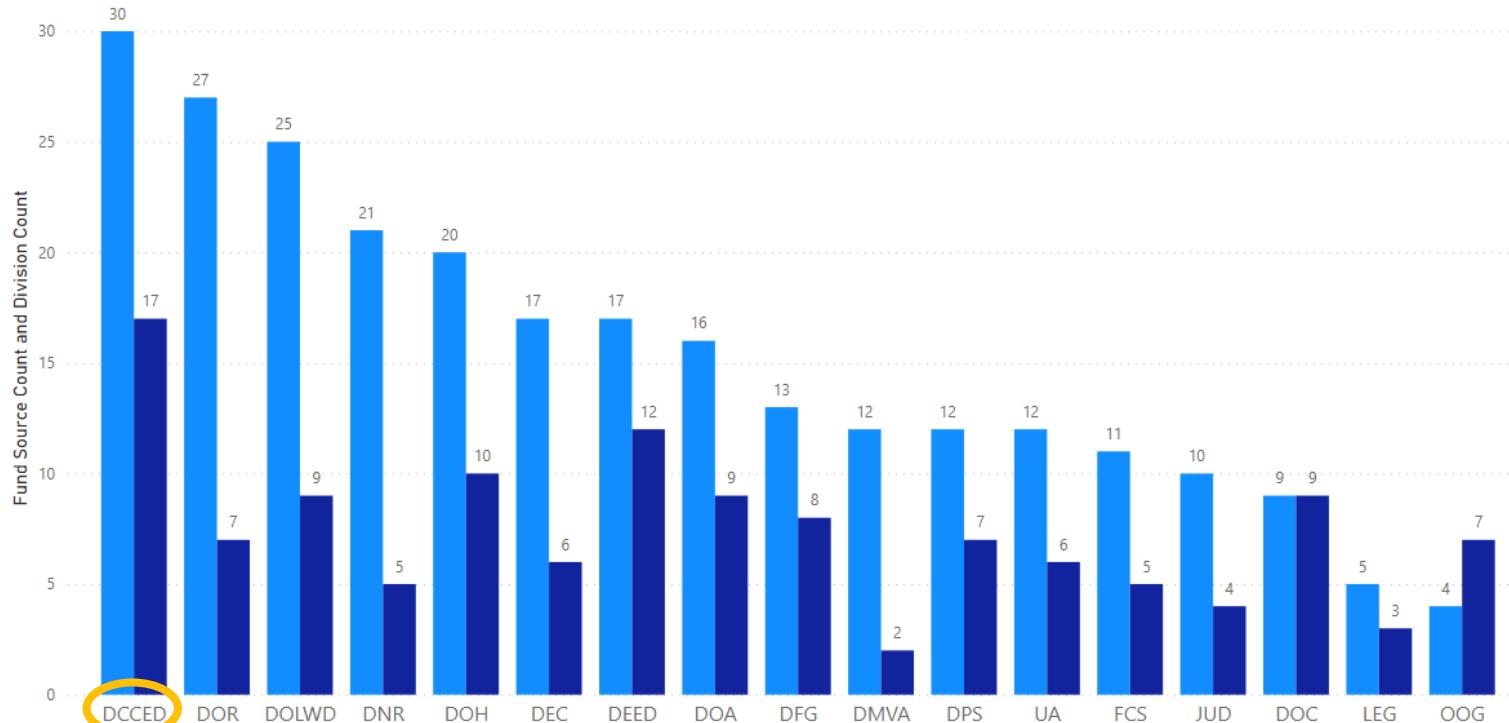


Budget Overview

DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT

Fund Sources & Divisions by Department

● Fund Source Count ● Division Count



Data as of FY2024 Management Plan



Budget Overview

DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT

Major Sources of Department Revenue Generation

Division	Revenue to the General Fund in FY2023	Source
Banking and Securities	18,422.4	Licensing receipts, fines and forfeitures
Corporations, Business, and Professional Licensing	6,719.0	Business Licensing & Corporations registration receipts
Insurance	62,114.2	Insurance premium taxes
	10,434.2	Insurance licensing receipts
Alaska Industrial Development and Export Authority (AIDEA)	6,479.6	AIDEA dividend received in FY2023
Total Contributed to General Fund in FY2023	104,169.4	



Division Budget Overviews

DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT

\$ thousands

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02/07/2024

Commissioner's Office

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



FY2025 Governor Budget

\$2,201.6: \$514.1 UGF, \$1,637.5 OTH, \$50.0 FED (6 PFT, 6 NPFT)

Commissioner
Julie Sande

FY2024 Supplemental Operating Budget Changes	Amount (\$)	Funding Source	Impacts
Increase federal authority for State Trade Expansion Program grant	+50.0	1002 Federal	Allow expenditure of federal grant.
Total FY2024 Supplemental Operating Budget Changes		+50.0	

FY2025 Operating Budget Changes	Amount (\$)	Funding Source	Impacts
Add Two Special Project Assistants for Temporary Research Projects and Educational Opportunities for Students	+0.0	- +2 NPFT	Create educational opportunities for in-state students.
Total FY2025 Operating Budget Changes		+2 NPFT	



Division Budget Overviews

DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT

\$ thousands

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02/07/2024

Administrative Services

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



FY2025 Governor Budget

Administrative Services

\$5,235.5: \$696.5 UGF, \$4,539.0 OTH (36 PFT)

State Facilities Rent

\$1,359.4: \$599.2 UGF, \$760.2 OTH

Director
Hannah Lager

FY2025 Operating Budget Changes	Amount (\$)	Funding Source	Impacts
Accountant 4 for Project Accounting and Additional Capacity	+160.0 +1 PFT	+160.0 OTH	Improve department-wide accounting resources.
Total FY2025 Operating Budget Changes	+160.0 +1 PFT		



Division Budget Overviews

DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT

\$ thousands

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02/07/2024

Divisions with no significant budget changes

FY2025 Governor Budget

Investments

\$5,792.6 DGF (37 PFT)

Promote economic development activities.



Director Jim Andersen

Banking and Securities

\$5,095.5: \$5,045.5 DGF, \$50.0 OTH (27 PFT)

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



Director Robert H. Schmidt



Division Budget Overviews

DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT

\$ thousands

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02/07/2024

Budget Adjustments – One-Time Components or Department-Wide

FY2025 Operating Budget Changes	Amount (\$)	Funding Source	Impacts
Salary, health, and PERS rate adjustments department-wide	+2,652.4	+346.8 UGF +1609.2 DGF +595.2 OTH +101.2 FED	
Remove one-time increment for Tourism Marketing Grant	-2,500.0	1004 General Funds (UGF)	Moved to capital.
Remove one-time funding for Economic Development Assistance multi-year appropriation	-705.5	1265 COVID Fed (FED)	Multi-year appropriation.
Total FY2025 Operating Budget Changes	-553.1		



Division Budget Overviews

DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT

\$ thousands

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02/07/2024

Alaska Broadband Office

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



FY2025 Governor Budget: \$2,988.2 OTH (5 PFT)

Director Thomas Lochner

FY2025 Operating Budget Changes	Amount (\$)	Funding Source	Impacts
Remove and restore temporary increments for ongoing operations	Net Zero	1061 CIP Receipts (OTH)	Technical transactions to continue office operations.
Restore Fiscal Note Reduction	+152.0	1061 CIP Receipts (OTH)	The initial fiscal note for program setup included a reduction in year three that will not occur.
Project Coordinator and Contractual Support for Project Management	+300.0 +1 PFT	1061 CIP Receipts (OTH)	Project management support through personal services and contractual support to ensure projects and deliverables are tracked, managed, and easily reportable.
Broadband Mapping and Program Support	+120.0	1061 CIP Receipts (OTH)	Support for geographic information systems (GIS) mapping, research, and program analysis from the Division of Community and Regional Affairs.
Permit Coordination in Other Departments	+740.0	1061 CIP Receipts (OTH)	Funding for six positions in other agencies to streamline permits for broadband projects.
Right-Of-Way Permit Coordinators	+246.0	1061 CIP Receipts (OTH)	Funding for staff time at the Department of Transportation and Public Facilities to streamline right-of-way permits for broadband projects.
Total FY2025 Operating Budget Changes	+1,558.0 +1 PFT		



Division Budget Overviews

DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT

\$ thousands

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02/07/2024

Community and Regional Affairs

Promoting strong communities and healthy economies.



FY2025 Governor Budget

Community and Regional Affairs

\$11,269.8: \$6,329.25 UGF, \$386.8 DGF, \$1,873.9 OTH, \$2,679.9 FED (53 PFT)

Revenue Sharing

\$22,728.2: \$3,100.0 OTH, \$19,628.2 FED

Director Sandra Moller

Grants in the FY2024 Supplemental Budget	Amount (\$)	Funding Source
Grants to food banks and food pantries across Alaska (language)	3,000.0	1004 General Fund (UGF)
<hr/>		
Grants in the FY2025 Operating Budget	Amount (\$)	Funding Source
Alaska Legal Services Corporation	400.0	1004 General Fund (UGF)
Alaska Legal Services Corporation (language)	296.4	1221 Civil Legal Services Fund (DGF)
Alaska Marine Safety Education Association (language)	184.5	1004 General Funds (UGF)
Life Alaska Donor Services	80.0	1202 Anatomical Gift Awareness Fund (DGF)
Native Village of Napaimute for the Kuskokwim Ice Road	185.0	1004 General Fund (UGF)



Division Budget Overviews

DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT

\$ thousands

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02/07/2024

Community and Regional Affairs *(continued)*

Promoting strong communities and healthy economies.

FY2025 Operating Budget Changes)	Amount (\$)	Funding Source	Impacts
Remove multi-year funding for Coronavirus pass-through funding	-127,263.7	1265 COVID Fed (FED)	Funding that was not received by the state.
Remove one-time grant for Palmer Emergency Food and Services	-125.0	1004 General Fund (UGF)	One-time item.
Reflect current year funding for Alaska Legal Services from the Civil Legal Services Fund	-301.2 +296.5	1221 Legal Services (DGF)	Language item based on annual collections of civil filing fees by the Alaska Court System
Move grant to Alaska Marine Safety Education Association to language reflecting prior year collections	-197.0 +184.5	1216 Boat Receipts 1004 General Fund (UGF)	UGF use is one-time; planned revert to Boat Receipts in FY2026.
Two Program Coordinators for Federal Disaster Recovery Grants	+380.0 +2 PFT	1061 CIP Receipts (OTH)	Staff to support two Department of Housing and Urban Development (HUD) disaster recovery grants: - \$35.9 million for 2018 Earthquake activities (projects are still ongoing) - \$38.4 million for Typhoon Merbok activities (requested in FY2025 capital budget)
Research Analyst 2 to Support Broadband Expansion	+120.0 +1 PFT	1007 Inter-Agency Receipts (OTH)	Geographic information systems (GIS) mapping, research, and program analysis.
Replace Civil Legal Services Fund with General Fund/Program Receipts	Net Zero	+0.3 GF Program Receipts (DGF) -0.3 Civil Legal Services Fund (DGF)	Technical adjustment to remove an uncollectable funding source.
Total FY2025 Operating Budget Changes	-126,905.9 +3 PFT		



Division Budget Overviews

DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT

\$ thousands

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02/07/2024

Serve Alaska

Foster, support, and promote the ethic of service and volunteerism for all Alaskans.



FY2025 Governor Budget:

\$6,187.2: \$236.4 UGF, \$20.0 OTH, \$5,930.8 FED (3 PFT)

Director Sandra Moller

FY2025 Operating Budget Changes	Amount (\$)	Funding Source	Impacts
Convert non-permanent Program Coordinator to Permanent to support Federal volunteerism programs	-1 NP - +1 PFT		Continue support for federal programs.
Increase federal receipt authority for extended federal grants	+4,000.0	1002 Federal (FED)	Allows the division authority to expend multiple multi-year federal awards that have been extended.
Total FY2025 Operating Budget Changes	+4,000.0		



Division Budget Overviews

DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT

\$ thousands

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02/07/2024

Corporations, Business, and Professional Licensing

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



Director Sylvan Robb

FY2025 Governor Budget

\$19,761.9: \$289.5 UGF, \$18,370.7 DGF, \$1,101.7 OTH (121 PFT)

FY2025 Operating Budget Changes	Amount (\$)	Funding Source	Impacts
Reverse and restore one-time funding for Big Game Commercial Services Board Executive Administrator	Net Zero	1005 GF Program Receipts (DGF) 1156 RSS (DGF)	Continues and corrects funding source for position added in FY2024 to support the Big Game Commercial Services Board.
Reverse Year 2 of Fiscal Note for HB112 Profession of Pharmacy	-44.4	1156 RSS (DGF)	Technical adjustment. Year 2 removed funding for one-time setup costs for positions as well as legal, printing, and postage costs.
Replace Aging Fold and Stuff Machine	+20.0	1005 GF Program Receipts (DGF) 1156 RSS (DGF)	Improves efficiencies for mailout projects of 45 regulatory professional licensing programs as well as business and corporate filings.
Total FY2025 Operating Budget Changes	-20.4		



Division Budget Overviews

DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT

\$ thousands

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02/07/2024

Division of Insurance

Regulating the insurance industry to protect Alaskan consumers.



FY2025 Governor Budget

\$9,580.3: \$9,006.6 DGF, \$294.5 OTH, \$279.2 FED (44 PFT)

Director Lori Wing-Heier

FY2025 Operating Budget Changes	Amount (\$)	Funding Source	Impacts
Delete long-term vacant Actuary position	-1 PFT	-	Services being provided through contractual support.
Reverse Insurance actuarial costs (multi-year)	-1,000.0	1156 RSS (DGF)	Technical adjustment to reverse multi-year funding for FY2024 and FY2025.
Insurance actuarial costs (multi-year)	+1,000.0	1156 RSS (DGF)	Continued support for actuarial costs incurred by the division in FY2025 and FY2026.
Protect Alaskan Business from Loss of Insurance Coverage	+100.0	1156 RSS (DGF)	Support information campaign for Environmental, Social, and Corporate Governance (ESG).
Total FY2025 Operating Budget Changes	+100.0 -1 PFT		



Division Budget Overviews

DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT

\$ thousands

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02/07/2024

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.



SELF
SUPPORTING

Chair & Commissioner
Brett Huber

FY2025 Governor Budget

\$9,712.5: \$888.0 UGF, \$8,479.5 DGF, \$175.0 OTH, \$170.0 FED (34 PFT)

FY2025 Operating Budget Changes	Amount (\$)	Funding Source	Impacts
Authority for settlement of claims against reclamation bonds	-150.0 +150.0	1108 Stat Desig (Other)	Technical adjustment for language item.
Reverse Year 2 Fiscal Note for SB48 Carbon Offset on State Land	-20.0	1004 General Fund (UGF)	Reverse one-time setup costs for new positions.
Personal services authority to spend from capital projects	+25.0	1061 CIP Receipts (OTH)	Personal services in support of capital appropriation for Orphaned Well Site Plugging, Remediation, and Restoration.
Replace North Slope vehicles	+95.0	1162 AOGCC Receipts (DGF)	Replace two vehicles and align with State Equipment Fleet replacement cycles.
Modernize public hearing room equipment	+30.0	1162 AOGCC Receipts (DGF)	Update hearing room equipment to align with the communications needs of the Commission and the public.
Total FY2025 Operating Budget Changes	+1,050.0		



Division Budget Overviews

DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT

\$ thousands

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02/07/2024

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 Joan Wilson

FY2025 Governor Budget

\$4,449.6: \$38.3 UGF, \$4,411.3 DGF (24 PFT)

FY2025 Operating Budget Changes	Amount (\$)	Funding Source	Impacts
Reverse replace critical office equipment	-20.0	1005 GF Program Receipts (DGF)	One-time item that funded copier replacement.
Year 3 of the SB9 fiscal note	-184.1 -1 NP	1005 GF Program Receipts (DGF)	Reverse funding for the Title 4 alcohol rewrite project. In Year 3 removed funding for a project assistant for project implementation, as well as attorney review costs and printing, postage, and publication costs.
Total FY2025 Operating Budget Changes	-204.1 -1 NP		



Division Budget Overviews

DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT

\$ thousands

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02/07/2024

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

FY2025 Governor Budget

\$3,086.1 OTHER (10 PFT)

FY2025 Operating Budget Changes	Amount (\$)	Funding Source	Impacts
Reverse General Fund appropriation for FY2025	-3,086.1	1004 General Fund (UGF)	Fund capitalization requested in lieu of direct operating appropriation.
Total FY2025 Operating Budget Changes	+3,086.1		



Corporation Budget Overviews

DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT

\$ thousands

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02/07/2024

Alaska Energy Authority

Reduce the cost of energy in Alaska.



FY2025 Governor Budget

\$60,541.8: \$1,369.2 UGF, \$51,113.1 DGF, \$6,850.9 OTH, \$1,208.6 FED

Executive Director
Curtis Thayer

FY2025 Operating Budget Changes	Amount (\$)	Funding Source	Impacts
Align Owned Facilities Budget with Anticipated Receipts	+250.0	1107 AEA Receipts (OTH)	Owned facilities costs are paid by participating utilities.
Add Authority for Senior Staff Accountant to Support Operation and Maintenance of Owned Facilities (FY25-FY27)	+167.7	1107 AEA Receipts (OTH)	Operation and maintenance support for AEA facilities.
Infrastructure Investment and Jobs Act (IIJA) Staff Support for Capital Projects (FY24-FY27)	-958.0 +958.0	1061 CIP Receipts (OTH)	Technical item to continue funding for IIJA projects that have already been appropriated.
Infrastructure Investment and Jobs Act (IIJA) Staff Support for Capital Projects	+1,249.5	1061 CIP Receipts (OTH)	Authority to pay for five positions in AIDEA and associated costs to work on IIJA projects.
Maintain Power Cost Equalization Allocation	-48,049.8 +48,049.8	1169 PCE Endowment (DGF)	Maintain prior year estimate.



Corporation Budget Overviews

DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT

\$ thousands

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02/07/2024

Alaska Energy Authority *(continued)*

Reduce the cost of energy in Alaska.



Executive Director
Curtis Thayer

FY2025 Operating Budget Changes	Amount (\$)	Funding Source	Impacts
Authority for Alternative Energy and Efficiency Capital Improvement Project Receipts	+350.0	1061 CIP Receipts (OTH)	Align budget with project expenditures for the Infrastructure Investment and Jobs Act (IIJA).
Increase Travel for Infrastructure Investment and Jobs Act (IIJA)	+50.0	1061 CIP Receipts (OTH)	Align with an anticipated increase in expenditures for travel related to IIJA.
Administration and Management of AEA Data Library	+200.0	1107 AEA Receipts (OTH)	Continued digitization to make research and data available to the public.
Total FY2025 Operating Budget Changes	+2,267.2		



Corporation Budget Overviews

DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT

\$ thousands

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02/07/2024

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

FY2025 Governor Budget

\$20,244.5 OTH (97 PFT)

FY2025 Operating Budget Changes	Amount (\$)	Funding Source	Impacts
Maintain Infrastructure Investment and Jobs Act (IIJA) Staff for the Alaska Energy Authority (AEA)	-676.6 +676.6	1007 I/A Receipts (OTH)	Maintain staff support for AEA projects.
Senior Staff Accountant for Alaska Energy Authority Owned Facilities Staff Support	+142.7 +1 PFT	1007 I/A Receipts (OTH)	Staff support for AEA projects.
AEA IIJA Staff Support	+1,074.5 +7 PFT	1007 I/A Receipts (OTH)	Staff support for AEA projects.
Total FY2025 Operating Budget Changes	+1,217.2 +8 PFT		



\$ thousands

Corporation Budget Overviews

DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT

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02/07/2024

Alaska Seafood Marketing Institute

Increase the economic value of Alaska seafood resources.



SELF
SUPPORTING

Executive Director
Jeremy Woodrow

FY2025 Governor Budget

\$21,800.0: \$16,155.0 OTH, \$5,644.9 FED (20 PFT)

FY2025 Operating Budget Changes	Amount (\$)	Funding Source	Impacts
Reverse multi-year Agricultural Trade Program	-1,589.6	1002 Federal (FED)	Technical item to reverse a prior-year multi-year appropriation.
Reverse one-time increment of general fund for seafood marketing	-5,000.0	1004 General Fund (UGF)	One-time support for increased marketing in response to marketplace threats.
Total FY2025 Operating Budget Changes	-6,589.6		



Corporation Budget Overviews

DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT

\$ thousands

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02/07/2024

Regulatory Commission of Alaska

Assure viable utility and pipeline service is provided with just and reasonable rates to consumers in Alaska.



FY2025 Governor Budget

\$10,498.0: \$10,347.1 DGF, \$150.9 OTH (55 PFT, 3 NP)

Chair & Commissioner
Bob Doyle

FY2025 Operating Budget Changes	Amount (\$)	Funding Source	Impacts
Delete long-term vacant Utility Financial Analyst	-1 PFT	-	Long-term vacant position that is no longer needed.
Delete two vacant Utility Master Analyst (UMA) Positions	-2 PFT	-	These positions have not been filled. RCA will use contractual resources if support beyond the remaining three UMA positions is needed.
Total FY2025 Operating Budget Changes	-3 PFT		



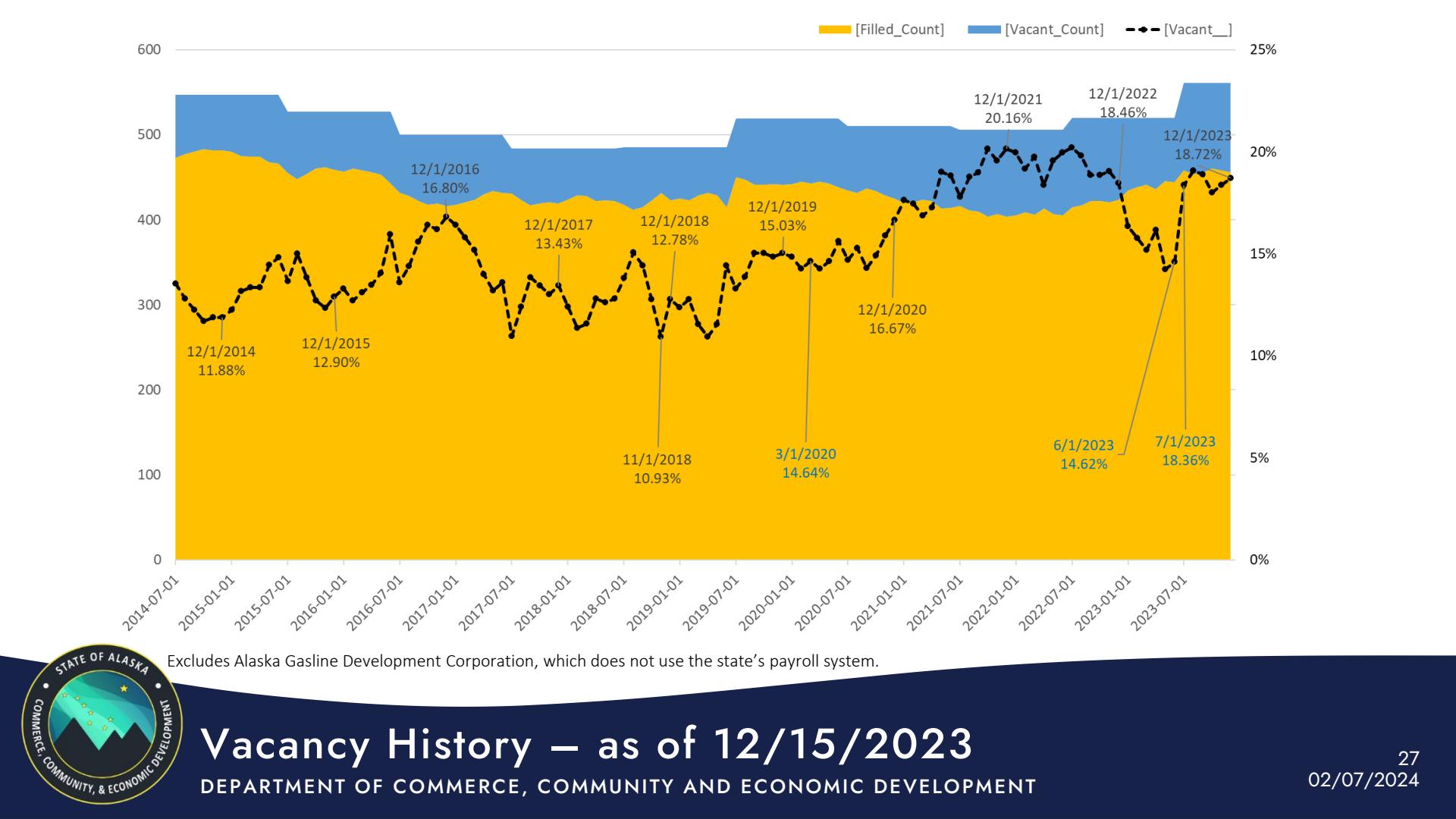
Corporation Budget Overviews

DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT

\$ thousands

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02/07/2024



Julie Sande, Commissioner

Julie.Sande@alaska.gov

Micaela Fowler, Deputy Commissioner

Micaela.Fowler@alaska.gov

Hannah Lager, Administrative Services Director

Hannah.Lager@alaska.gov



Thank You!

DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT