

House Bill 30: Office of Entrepreneurship

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PRESENTED TO HOUSE LABOR AND COMMERCE

Economic outlook in Alaska

Slow economic growth

Job loss in key industries

Talent and family outmigration

WE CANNOT RELY ON OUR LEGACY SECTORS TO CREATE THE JOBS OF THE FUTURE

Alaska needs to diversify and support emerging sectors

Future growth will come from ***value-added support*** of existing economic engines and ***investment in emerging sectors*** and jobs

Diversification and technology growth aligns with our CEDS, state and national economic development trends, and history

What is an emerging sector & why they matter

New and young businesses create virtually all net job growth in America

Research shows that for every 1 percent increase in the U.S. entrepreneurship rate, the poverty rate decreases by 2 percent

New businesses

- grow local GDP
- increase community wealth
- create homegrown jobs
- diversify goods and services



“Alaska: State of Entrepreneurship” by
The University of Alaska Center for
Economic Development (2018)

“Over the last decade, startups in Alaska consistently added 4,000 to 6,000 jobs to the economy each year. Firms that are aged five years or younger accounted for 89% of Alaska’s net employment growth in the private sector.”

HB 30: A foundation to support emerging sectors

Creates Office of Entrepreneurship in DCCED and directs them to:

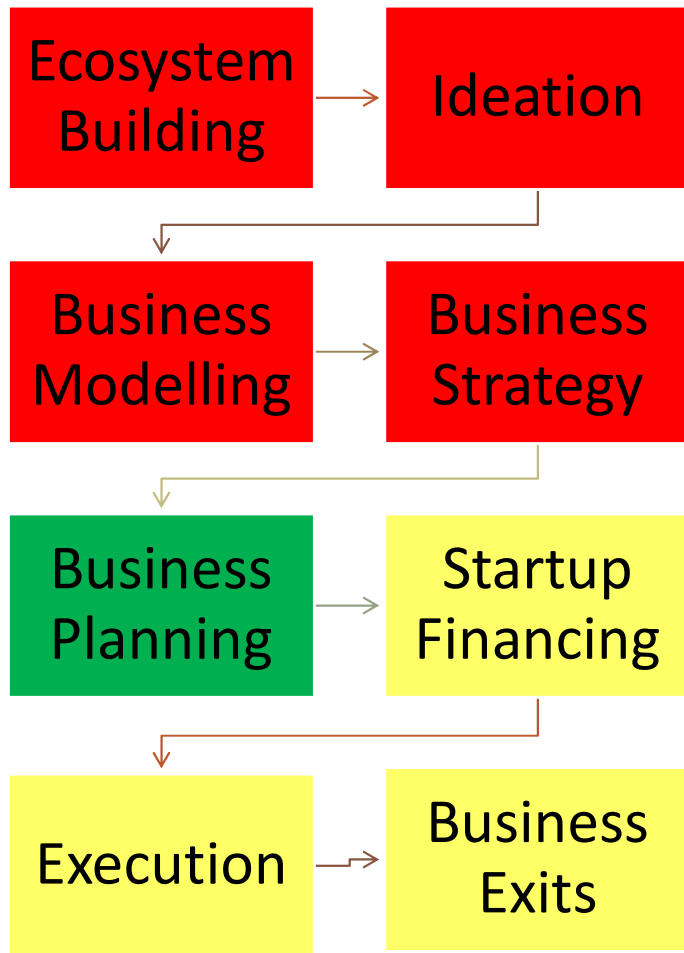
- Promote entrepreneurship
- Assist new business as they navigate interactions with the state of Alaska
- Annually review policy changes that impact new businesses

Directs state agency money to support programs or organizations that help new businesses

What changed from v. A to B?

The Committee Substitute for House State Affairs yielded these changes:

1. Eliminated change from v. A that would have changed Department of Administration's procurement report from biennial to annual
2. Removed business license exemption for new businesses
3. Clarified the goals of the Office of Entrepreneurship with more specific language
4. Tightened definition of "new business in the state" using preexisting statutory definition of Alaska Bidder Preference



The Startup Process

(and where OOE will help)

Expected
Outcomes
from HB 30

NEW BUSINESSES AND JOBS

REDUCED COSTS FOR NEW
BUSINESSES

IMPROVE STATE INTEGRATION
WITH STARTUP ECOSYSTEM

ECONOMIC OPPORTUNITY FOR THE
NEXT GENERATION OF ALASKANS

Questions?