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House Bill 34: Sponsor Statement Version A (34-LS0353\N) 2/5/2025

House Bill 34 establishes the Alaska Innovation Council; a strategic statewide initiative designed to accelerate the growth of emerging industries and diversify Alaska's economy. This effort aligns with the goals outlined in the 2022-2027 Comprehensive Economic Development Strategy¹ (CEDS), and regional CEDS and local economic development plans. By fostering innovation and entrepreneurship, this bill aims to inform public policy and leverage state resources public and private resources. The outcome will be measured by diversification of the economy and growth of emerging sector GDP, new business formation and investment capital, job creation, retention of Alaskans, and attracting new business and their and associated jobs to Alaska.

The University of Alaska's "State of Entrepreneurship" found that over a 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 sector². A strong entrepreneurial climate is essential for attracting investment, encouraging creativity, and expanding economic opportunities for Alaskans. HB 34 directs the council to provide recommendations that will remove barriers and identify opportunities to enhance Alaska's business environment for private business and job growth. By identifying and addressing challenges to investment and entrepreneurship, this legislation aligns public, private, and education efforts to ensure that Alaska is competitive in an increasingly innovation-driven economy.

The council will play a pivotal role in assessing the needs of regional economic development organizations and will produce an annual Innovation and Economic Competitiveness Plan. This plan will highlight Alaska's competitive strengths and propose actionable strategies to drive economic progress. Additionally, the council will develop an Innovation Index to benchmark Alaska's performance against national innovation metrics, providing valuable insights to guide policy and investment decisions.

Modeled after successful legislation HB 34 builds upon proven strategies to support economic diversification and long-term prosperity. By establishing a dedicated body to focus on innovation, entrepreneurship, and investment, this bill takes a proactive approach to strengthening Alaska's economy for future generations.

¹ Statewide [CEDS 2022-2027](#)

² UAA/Center of Economic Development - [Alaska: State of Entrepreneurship 2018](#)