

Department of Commerce, Community and Economic Development
FY26 Midyear Status Report

Item No.	Appropriation / Allocation	Description	Amount / Fund Source	LFD Questions
1	Various	Delete Vacant Positions	Total: (\$878.9) (\$119.0) Gen Fund (UGF) (\$155.5) I/A Rpts (Other) (\$68.4) Stat Desig (Other) (\$536.0) RCA Rpts (DGF) (5) PFT Positions (1) TMP Position Dec	The following vacant positions were removed from the FY26 budget. Has there been any material functional impact as a result?
Agency Response				
Multiple position deletions were related to critical functions of the department that require specialized expertise, and which had experienced significant recruitment challenges. In response to those continued needs, some deleted positions were restored, as listed below.				
<ul style="list-style-type: none"> - Commissioner's Office: Delete Associate Director (PFT) - \$182.9 (\$27.4 UGF, \$155.5 I/A Receipts) – This position was restored and is funded with existing budget authority. This position is critical for attracting international investment and supporting global business development. Because the position requires unique and specialized skills, the department experienced significant recruitment challenges. However, the department identified and hired a highly qualified candidate who started at the beginning of FY2026. - Alaska Oil and Gas Conservation Commission (AOGCC): Delete Administrative Assistant 2 (PFT) - \$91.6 (UGF) – This position had been reclassified to support orphaned well work, which is primarily federally funded. As a result of this deletion, AOGCC has redirected other positions to work on orphaned well projects, which reduces operational efficiency and organizational resiliency. Additionally, the deletion resulted in a negative general fund appropriation for AOGCC which must be corrected. - Alaska Seafood Marketing Institute (ASMI)/ASMI: Delete Intern (Temp) - \$68.4 (SDPR) – This position served as an entry point for onboarding within ASMI and a pathway into permanent roles. Due to current recruitment challenges, ASMI is not actively utilizing this approach and the position has been deleted. - Regulatory Commission of Alaska (RCA)/RCA: Delete Communications Common Carrier Specialist (CCCS) 3, Utility Engineering Analyst, and Utility Master Analyst (3 PTFs): \$536.0 (RCA Receipts) – The CCCS 3 deletion has shifted the workload to staff who are already managing complex docket matters before the Commission, and the added responsibilities pull them away from their primary duties, straining workflow and timelines. The RCA plans to continue recruiting for the highly specialized CCCS position but filling these roles has been challenging due to the specialized expertise needed. - The Utility Engineering Analyst position was filled in March 2025, prior to deletion. As a result, this position was restored and the incumbent retained. - The Utility Master Analyst has been restored due to continued need of the expertise. When this position is filled, it reduces the need to contract for subject matter expertise in regulatory cases ultimately reducing costs in the Commission. Both positions have been restored using existing budget authority. 				
2	Community and Regional Affairs / Community and Regional Affairs	Grant to Bristol Bay Science and Research Institute for Chum Salmon Assessment & Genetics Lab	\$500.0 Gen Fund (UGF) IncOTI	When was the grant agreement signed? Given the purpose of the grant, it seems the single year effective date may be insufficient. Can progress to date be provided from the grantee? Is there an expectation for a necessary lapse extension?
Agency Response				
This grant was appropriated as an operating grant and so it is only valid for FY2026. The grant has an effective date of 7/1/25 and the agreement was signed on 10/23/2025. As of 9/30/25, the grantee has expended \$353.9. This grant is projected to be fully expended in FY2026.				

Department of Commerce, Community and Economic Development
FY26 Midyear Status Report

Item No.	Appropriation / Allocation	Description	Amount / Fund Source	LFD Questions
3	Community and Regional Affairs / Community and Regional Affairs	CC: Role of State Goods in Supply Chains Critical to Global Energy Transition (Ch 45, SLA 24 (SB 118))	\$40.0 Gen Fund (UGF) IncOTI	What progress has been made in regard to this report? Was a contractor hired for its preparation? Has the agency figured out a way to produce the report utilizing existing base budget funding?
Agency Response				
<p>The draft report is currently in the final editing and review phase, and is projected to be submitted to the Legislature in January 2026. The Division of Community and Regional Affairs contracted with the University of Alaska Anchorage Institute for Social and Economic Research (ISER) to prepare the report, as authorized under SB 118 (Critical Natural Resources; Reports), which permits the use of contractual support for its completion. However, the appropriation to complete the report was made as a one-time item. As continuing authority was not appropriated and was removed by the legislature in the FY2027 budget, the department does not anticipate continuing this report in FY2027.</p>				
4	Insurance Operations / Insurance Operations	Consumer Service Specialist to Address Increased Volume of Filings	\$141.4 Rcpt Svcs (DGF) 1 PFT Position Inc	Has this position been hired and if so what was the effective date? Has any material impact on timely reviews and responses to insurance coverage complaints been realized to date?
Agency Response				
<p>The position has recently been established and is in the recruitment process. The division continues to receive a high volume of consumer inquiries and insurance-related concerns, reflecting strong public engagement with our services. Once the position is filled the incumbent is trained, the division anticipates improvements in the timeliness of reviews.</p>				
5	Insurance Operations / Insurance Operations	Delete Vacant Actuary Position	(\$212.7) Rcpt Svcs (DGF) (1) PFT Position Dec	Given the historical difficulty in hiring for this position, has there been any impact from its removal from the budget?
Agency Response				
<p>The Division of Insurance may employ actuaries under AS 21.06.030. As a result of that statutory authorization and to reduce overall costs, the department restored this position and continues recruitment efforts. Until the position is filled, the Division of Insurance will meet the need for actuarial support through contractual support, which is significantly more expensive than staff support. Actuarial support for the division is fully funded by insurance licensing fees.</p>				

Department of Commerce, Community and Economic Development
FY26 Midyear Status Report

Item No.	Appropriation / Allocation	Description	Amount / Fund Source	LFD Questions
6	Alaska Seafood Marketing Institute / Alaska Seafood Marketing Institute	Comprehensive Marketing Plan (FY2025-FY2027) Supplemental	\$5,000.0 Gen Fund (UGF) MultiYr	Please describe progress to date regarding the marketing plan. Is there an expenditure timeline that can be provided for the three year time period?
<p>Agency Response</p> <p>A small portion of the \$5,000.0 multiyear appropriation was applied to FY2025 activities. The remainder of the appropriation will be expended in FY2026. To date the Alaska Seafood Marketing Institute (ASMI) has spent \$634.0 and encumbered an additional \$1,200.0. The unencumbered funds will soon be directed to calendar year 2026 promotional activities targeting U.S. promotions such as large retailers, broadline distributors, and major foodservice operators. The entirety of the \$5 million appropriation is projected to be fully expended by June 30, 2026.</p> <p>In FY2026, ASMI used the appropriation to launch a Wild Alaska Pink Salmon campaign to align with major U.S. retail partners; amplify ASMI logo usage on McDonald's digital menus; add Burger King as a promotional partner; and increase visibility of the Certified Seafood International (CSI) sustainability certification program with U.S. and international customers.</p>				
7	Capital Budget	Alaska Travel Industry Association - Tourism Marketing Activities in National and International Markets	\$2,500.0 Gen Fund (UGF)	The capital project backup provided a project timeline through FY30. Is there an multi-year expenditure plan that can be provided?
<p>Agency Response</p> <p>Historically, this grantee has fully expended grant funding within the first two years of the grant being established. As of 11/30/2025, the grantee has expended \$866.7, with \$1,633.3 million remaining.</p>				