



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Commerce, Community,
and Economic Development

OFFICE OF THE COMMISSIONER
Julie Sande, Commissioner

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February 10, 2025

The Honorable Louise Stutes
Chair, House Fisheries Committee
Alaska State Capitol, Room 216
Juneau, Alaska 99801

Dear Chair Stutes:

During the hearing on HB 60: Procurement Preference: Agriculture & Fish Products in the House Fisheries Committee on February 6, 2025, we agreed to follow-up with some information we did not have on hand at the time. The questions from the committee members and the follow-up responses are below.

Representative Elam asked, “what will be the impact to municipalities?”

The department has reached out to the Alaska Municipal League (AML) to notify them of this legislation, and a fiscal impact analysis from AML is forthcoming.

Representative Kopp asked, “is the Alaska Railroad part of this program?”

The Alaska Railroad (ARRC) is exempt from the Executive Budget Act.

From Megan Clemens at the ARRC: “The Alaska Railroad Corporation does not purchase agricultural or fisheries products directly, as our onboard food and beverage service is provided by a third-party vendor, but I confirmed with our procurement dept that the contract with that vendor does state that The Contractor shall be expected to use locally grown and/or Alaska made products whenever financially and logistically viable.

In practice, that’s translated to a number of menu options featuring locally harvested or grown ingredients. Only Alaskan seafood is served (Alaskan cod), the reindeer sausage is produced locally, our hot cereal breakfast option is made with Alaskan barley, the cookies and dinner rolls are produced with Alaskan-grown flour, and we offer other prepackaged local options such as Alaskan potato chips and beer. From conversations with our food service vendor, it sounds like they do purchase some locally grown fresh produce when available, but the timing of our passenger season makes it tricky to rely solely on Alaska-grown vegetables.”

Here is a list of the products the ARRC currently uses:

AK flour assorted cookies
AK flour brownies
AK flour cream of barley cereal
AK flour dinner rolls
AK chip company
Indian valley reindeer sausage
Ivars Alaska smoked salmon chowder
(ARRC tries to source Alaska cod, depending on availability)
Alaska Brewing
Denali Brewing
Beach Tribe ginger beer and sodas

Representative Edgmon asked, “could tribes be added to this legislation?”

Tribes are already considered qualified users on the State of Alaska food contract. Here is list of qualified users:

State Agencies
Federally Recognized Tribes on BIA List
Legislative Branch
University
Alaska Court System
State Boards and Commissions
Cities/Boroughs/School Districts

Please let us know if the committee has any additional questions.

Sincerely,



Anna Latham
Deputy Commissioner

cc: Lizzie Kubitz, Legislative Liaison, DCCED
Jordan Shilling, Director, Governor’s Legislative Office