

ALASKA STATE LEGISLATURE
House Community & Regional Affairs Committee

Rep. Cathy Muñoz, Co-Chair



Rep. Bob Herron, Co-Chair



HCR 21 – Creating an Economic Development Planning Commission

Presentation to the House Labor & Commerce Committee
April 5, 2010

HCR 21 Components

- 10-Member Economic Development Planning Task Force in the Legislative Branch
- Integrate Legislature into ongoing economic development planning efforts
- Report suggested strategies and legislation to the Governor, Legislative Council, LB&A
- Sunsets June 30, 2012

Current Statewide Processes

- Alaska Forward
 - Led by the Alaska Partnership for Economic Development (ARDORs), other members
 - \$500K Denali Commission money for Phase I
 - Currently working on Phase II funding
- Legacy
 - Governor Palin's Administrative Order
 - Project has morphed under Governor Parnell
 - Anticipate alignment of Legacy behind Alaska Forward
- Other regional, industry-specific efforts

Alaska's Economic Development "System": Many economic development organizations with diverse funding sources, geographic scopes, missions and approaches

Geographic Scope	Key Organizations			
State Level	Funding Agencies	Alaska Industrial Dev't and Export Authority	Denali Commission	Alaska Growth Capital
		USDA Rural Development	Economic Development Administration	Small Business Administration
	Research and Technical Assistance	Alaska Dept of Commerce, Community and Econ. Dev't	Univ. of Alaska Center for Econ. Dev't	Small Business Dev't Center
		Alaska Manufacturing Extension Partnership	Alaska Village Initiatives	Numerous Industry Specific Support Orgs
	Business and Community Support	Alaska State Chamber of Commerce	Alaska Municipal League	Numerous Industry Organizations
	Regional Level	Alaska Regional Development Organizations (ARDORs)	Regional Tribal Organizations	Western Alaska Community Dev't Quota (CDQ) Groups
Borough/ Municipal Level	Local Chambers of Commerce	Local Econ. Dev't Groups	Local Tribal Organizations	

Provided by Alaska Partnership for Economic Development

Is there a need for an Economic Development Planning Commission?

- The ongoing economic development processes represent significant efforts and investments by Alaskans.
- Engages Legislature throughout the process.
- Ensures Legislative action is informed by private sector participation.
- Responds to identified shortcoming in previous economic development efforts.

Kinds of Opportunities Commission May Identify

- Could identify financial tools to target particular areas of economic development:
 - Loan programs, incentive/tax programs
 - Target particular industry clusters, geographic regions, or other policy goals
- Enables the Legislature to address identified needs by preparing legislation in advance of sessions.
- Possible restructuring of departmental participation in economic development:
 - public corporation to work on economic development issues
 - new department
 - new division

Commission Membership

- One State Representative
- One State Senator
- One Public Member
- One Public Member
- One Public Member
- One Public Member
- One Public Member
- One Public Member
- DCCED Commissioner
- L&WFD Commissioner

Appointment Authority

- ← House Finance Co-Chairs
- ← Senate Finance Co-Chairs
- ← House Speaker
- ← House Minority Leader
- ← Senate President
- ← Senate Minority Leader
- ← House Finance Co-Chairs
- ← Senate Finance Co-Chairs
- ← By Resolution
- ← By Resolution

Goal of HCR 21 is to provide Legislature with direct input and collaboration with private sector on subjects of economic development.

HCR 21 – Timeline

- March, 2010: AK Forward Phase I Report
- April 30, 2010: Commission Begins Work
- Spring 2010: AK Forward Phase II Launches
- January 30, 2011: First Legislative Report Deadline
- December 15, 2011: Second Report Deadline
- June 30, 2012: Sunset

Identified Need for Cooperation on Statewide Economic Development

- “Lack of an overall Alaska Strategic plan for Economic Development is a barrier to expanded AIDEA participation in major projects.”
– AIDEA Strategic Plan
- “There is a lack of statewide planning, leadership, and coordination. Although Alaska has a large number and variety of economic development entities, their focus is local or regional, rather than statewide, and this limits their effectiveness.”
– Alaska Forward: Phase I Situational Analysis Executive Summary
- Calling for a Comprehensive Economic Development Strategy for Alaska and supporting both the “Alaska Forward” project and the Governor’s “Legacy” plan.
– Alaska State Chamber of Commerce 2010 Position Paper

Econ. Dev. & HCR 21 Documents

- Sponsor Statement, Updated Fiscal Note, Letters of Support
- Alaska Forward Project Executive Summary
- “Legacy” Planning Process Outline
- “Econ. Dev. in State Government” Briefing Paper
- HCR 21 PowerPoint
- Legislative Research Report: Alaska Economic Development Orgs
- www.alanausterman.com: Econ. Dev. Library

HCR 21 – FISCAL NOTE

- \$130,000 (GF) – for 2 yrs – RDU: Legislative Council
- \$108,000 for Commission Staff (Range 21, Step C)
- \$11,000 for Travel (excluding per diem)
- \$11,000 for Per Diem
- Costs to print Commission Report and Teleconference meeting will be absorbed within existing budget
- Assumptions
 - 3 Meetings require travel (rest by teleconference)
 - 1 Anchorage meeting and 2 Fairbanks meetings
 - Per diem for 2 days per travel meeting
 - 3 Anchorage-based members; 1 Fairbanks-based member

HCR 21

Economic Development Planning Commission

Sponsored by House Community
& Regional Affairs Committee

Questions? Please call Rob Earl, Rep. Herron's office (465.5141).

Thank you House Labor & Commerce Committee!

Seed Clusters: Fortunately Alaska has several “clusters-in-the-making”

- Cold climate technology
- Rocket launch technology
- Cold climate housing
- Specialized super computing capabilities
- Distance delivery -- education, medical, and management services
- Alternative energy and clean-energy (bio fuels, clean coal/coal gasification, etc)
- Specialty solvents
- Light aircraft operations and maintenance/navigation
- Marine and arctic biological sciences/potential for aquaculture
- Remote communications technologies/systems
- Aerospace technology/operations
- Naturally grown/grazed food products

From a strategic standpoint, these areas should be nurtured, as many of the jobs of the future will emerge from these seeds

Provided by Alaska Partnership for Economic Development