



THE STATE  
of **ALASKA**

GOVERNOR MICHAEL J. DUNLEAVY

DEPARTMENT OF COMMERCE, COMMUNITY AND  
ECONOMIC DEVELOPMENT

# DEPARTMENT OVERVIEW

Presented to the House Finance Subcommittee

Julie Anderson, Commissioner

April Wilkerson, Administrative Services Director

March 7, 2019

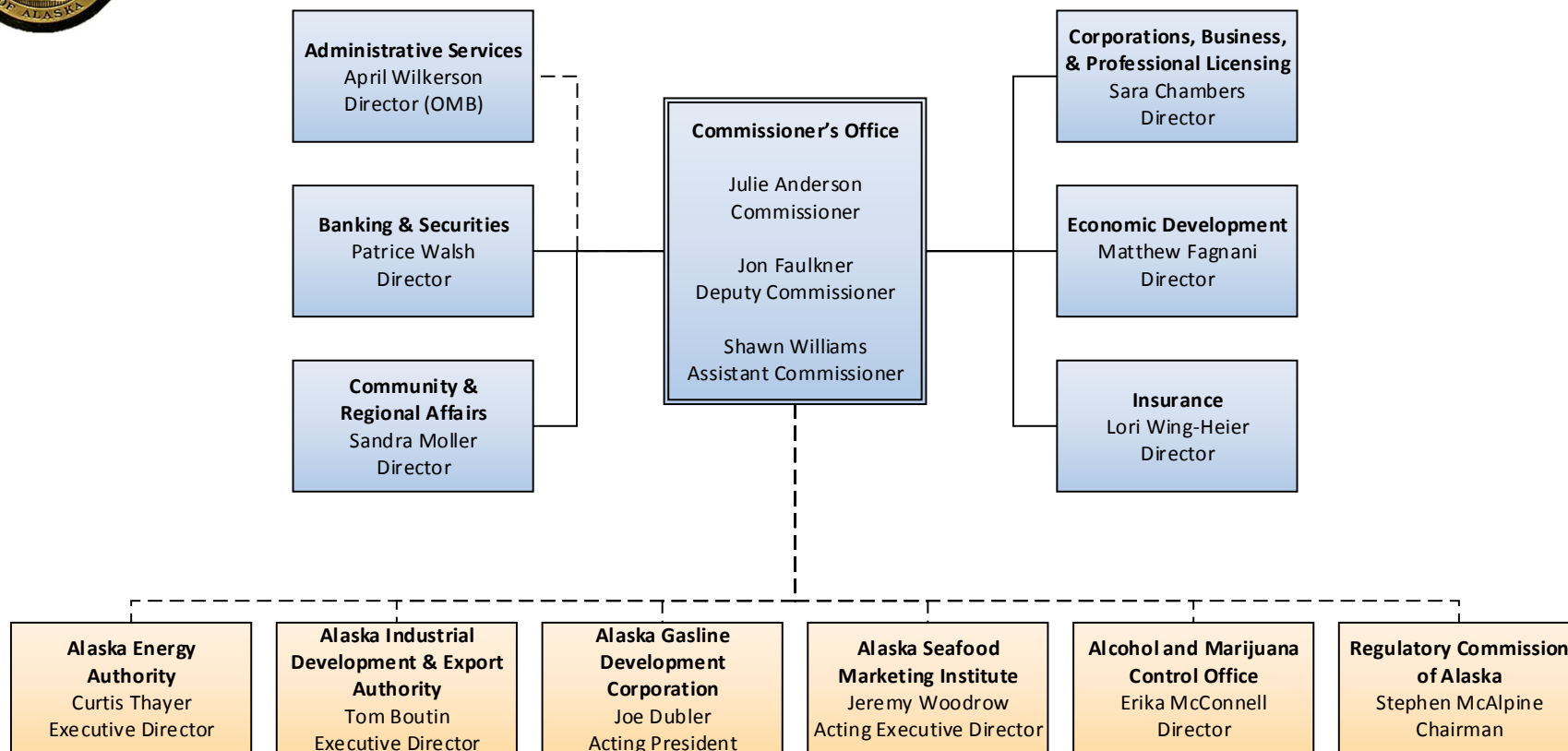


## Department Objectives

- Focus core services on customers needs
- Work across departments to eliminate duplication
- Cut red tape by rolling back regulations where appropriate
- Reduce reliance on government
- Realign for efficiencies
- Focus on jobs and a healthy economy
- View regulations through a risk based lens



# Department Organization





## Mission and Core Services

Promote a healthy economy, strong communities, and protect consumers in Alaska.

### Framework for a Strong Economy:

- Economic Growth
- Strong Communities
- Affordable Energy
- Consumer Protection

Department Home

<https://www.commerce.alaska.gov/web/>

Duties of the Department

<http://www.legis.state.ak.us/basis/statutes.asp#44.33.010>

Alaska Constitution - Article X § 14

<https://ltgov.alaska.gov/services/alaskas-constitution/>

FY2019 Performance Measures

<https://www.omb.alaska.gov/html/performance/program-indicators.html?p=10>



## Economic Growth



Division of Economic  
Development



Alaska Industrial  
Development and  
Export Authority



Alaska Seafood  
Marketing Institute



# Economic Growth

## Division of Economic Development

- Helping Alaska's private sector create jobs and economic opportunity
- Matthew Fagnani, Director
- Comprised of two budgetary units: Economic Development and Investments.



Director  
Matthew Fagnani

## Economic Development

- Promote economic development opportunities.

**Business Development** – Collaboration with private industries, communities, state agencies, and trade organizations to promote the expansion of economic opportunity in the state. Marketing, research, public awareness campaigns, policy, technical assistance, and governmental coordination.

**Made in Alaska & Alaska Product Preference** - Promoting Alaska manufacturing through consumer-targeted Made in Alaska marketing campaign and the Alaska product preference program for state contracts. To qualify, DED certifies that at least 25 percent of the product's value is added in Alaska.



# Economic Growth

## Division of Economic Development (continued)

### Investments

- Grow Alaska's economy by promoting and administering direct loan programs to Alaskans ineligible for traditional financing opportunities.

**Finance** – promoting and administering direct loan programs including origination, servicing, and collections.

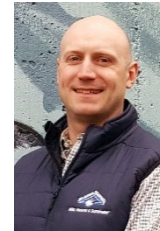
- 
- |                                 |                                       |
|---------------------------------|---------------------------------------|
| - Alaska Capstone Avionics      | - Mariculture                         |
| - Bulk Fuel Revolving Loan Fund | - Alaska Microloan                    |
| - Commercial Charter Fisheries  | - Rural Development Initiative Fund   |
| - Commercial Fishing            | - Small Business Economic Development |
| - Fisheries Enhancement         |                                       |
-



# Economic Growth

## Alaska Seafood Marketing Institute

- Increase the economic value of Alaska's seafood resource through awareness, marketing, planning, industry analysis, advocacy, and research.
- Jeremy Woodrow, Acting Executive Director



Acting Executive Director  
Jeremy Woodrow

ASMI is governed by a board of directors and is funded primarily by a tax on seafood processors approved by the processors themselves. The current tax assessment is .5% of the value of seafood products produced in Alaska.

**U.S. Retail Marketing** – works with Alaska seafood suppliers and retailers to support sales and marketing.

**U.S. Foodservice Marketing** - works with foodservice operators to handle, menu and promote wild Alaska seafood products.

**International Marketing** - key markets, retail and food promotions, technical seminars, and chef and retail Alaska seafood training.

**Seafood Technical Support** – food safety, quality, nutrition and food labeling; seafood sustainability and seafood purity.



# Economic Growth

## Alaska Industrial Development and Export Authority (AIDEA)

- Provide various means of financing and investment to promote economic growth and diversity in Alaska.
- Tom Boutin, Executive Director



Executive Director  
Tom Boutin

AIDEA is a public corporation financing economic development projects, infrastructure needed for resource development, and efficient and cost effective energy generation.

**Loan Participation** – provides long term financing, both taxable and tax-exempt, to borrowers

**Project Development** – provides financing to develop, own, and operate facilities within the State

**Infrastructure Development** – provides financing for the development of infrastructure

**Conduit Revenue Bonds** – acts as a conduit for the issuance of either taxable or tax-exempt bonds.



## Strong Communities



Division of Community  
and Regional Affairs



Revenue Sharing  
Programs



# Strong Communities

## Division of Community and Regional Affairs (DCRA)

- Sandra Moller, Director
- Comprised of two budgetary units: Community and Regional Affairs, and Revenue Sharing.

### Community and Regional Affairs

- Helping Alaska's rural communities build sustainable economies and a means of self-governance
  - Alaska Constitution Title X



Director Sandra Moller

### Municipal & Community Policy & Research

- Alaska Native Language Preservation and Advisory Council
- Community Mapping
- Local Boundary Commission
- Municipal Land Trust
- Office of the State Assessor
- Research and Analysis

### Serve Alaska

- Promote volunteerism

### Local Government Assistance / Rural Utility Business Advisor

- Bulk Fuel Revolving Loan Fund
  - Floodplain Management program
- Rural Utility Business Advisor (federally funded)

### Community Aid & Accountability

- Grants administration (operating and capital)
- Community Assistance Program administration



# Strong Communities

## Revenue Sharing Programs

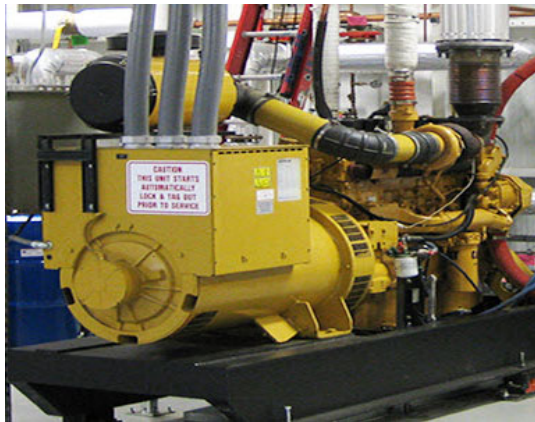
- Facilitate state and federal revenue sharing with Alaska communities.
  - Fisheries Taxes
  - National Forest Receipts
  - Payment in Lieu of Taxes

## Community Assistance Program

- Planned distribution of approximately \$30 million to communities on July 1, 2019



## Affordable Energy



Alaska Energy  
Authority



Alaska Gasline  
Development  
Corporation



# Affordable Energy

## Alaska Energy Authority

- Reduce the cost of energy in Alaska.
- Curtis Thayer, Executive Director
- Positions are housed in AIDEA
- AEA agency operations
- AEA Power Cost Equalization



Executive Director  
Curtis Thayer

The Alaska Energy Authority (AEA) is a public corporation and is the state's energy office and lead agency for statewide energy policy and program development.

- Builds modern, code-compliant bulk fuel tank farms in rural Alaska, latest generation, high efficiency rural powerhouses and renewable energy projects.
- Manages the Renewable Energy Fund, the Emerging Energy Technology Fund, the Power Cost Equalization Program and various Energy Efficiency and Conservation Programs.
- Owns energy infrastructure for the benefit of Alaskans.



# Affordable Energy

## Alaska Gasline Development Corporation

- Ensure that Alaska's vast North Slope natural gas resources are available for the maximum benefit and use of Alaskans. Responsible for advancing two alternatives – the Alaska Stand Alone Pipeline (ASAP) and the Alaska LNG project.
- Joe Dubler, Interim President



Interim President  
Joe Dubler

**Alaska Moving Forward** - The Alaska Gasline Development Corporation is an independent, public corporation of the State of Alaska. AGDC will maximize the benefit of Alaska's vast North Slope natural gas resource through the development of infrastructure necessary to move the gas into local and international markets.



# Consumer Protection



Corporations,  
Business, and  
Professional  
Licensing



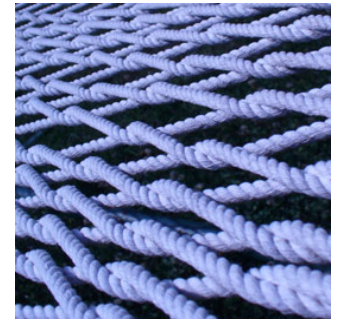
Division of  
Insurance



Alcohol and  
Marijuana  
Control  
Office



Regulatory  
Commission  
of Alaska



Division of  
Banking and  
Securities



## 'Right Touch Regulation' & Consumer Protection

### Division of Corporations, Business and Professional Licensing

- Helping Alaskans conduct commerce.
- Sara Chambers, Director



Director Sara Chambers

**Corporations** – Registering corporate entities, registering trademarks, and maintaining information for the public on corporations.

**Business Licensing** – Licensing entities engaging in business in Alaska.

**Professional Licensing** – Licensing qualified applicants for 43 programs.

**Enforcement** – Support for professions to ensure the public is protected and license standards are upheld.



## 'Right Touch Regulation' & Consumer Protection

### Division of Corporations, Business and Professional Licensing

43 Professional Licensing Programs:

---

Acupuncturists	Construction Contractors	Massage Therapists	Pharmacy
Architects, Engineers, and Land Surveyors	Dental Examiners	Mechanical	Physical Therapy & Occupational Therapy
Athletic Trainers	Dietitians & Nutritionists	Administrators	Professional Counselors
Audiologists & Speech-Language Pathologists	Dispensing Opticians	Medical Board	Psychology
Barbers & Hairdressers	Electrical Administrators	Midwives	Public Accountancy
Behavior Analysts	Euthanize Domestic Animals	Morticians	Real Estate Appraisers
Big Game Commercial Services Board	Geologists	Naturopathy	Real Estate Commission
Chiropractic Examiners	Guardians & Conservators	Nursing /Nurse Aide	Social Work Examiners
Collection Agencies	Hearing Aid Dealers	Nursing Home	Underground Storage Tank Worker
Concert Promoters	Home Inspectors	Administrators	Veterinary Examiners
	Marine Pilots	Optometry	
	Marital & Family Therapy	Pawnbrokers	

---

Licensing fees for each occupation are set by the department per AS 08.01.065 so the total amount of revenue collected approximately equals the occupation's actual regulatory costs.



# Balanced Regulation and Consumer Protection

## Division of Insurance

- Helping Alaskans to protect human life and property from risk and adversity
- Lori Wing-Heier, Director



Director Lori Wing-Heier

**Licensing** – Administer more than 20 license types for insurance businesses and professionals.

**Financial Oversight** - Ensure solvent insurance companies in Alaska.

**Filing Approval** – monitor rates and forms for conformity with state law.

**Consumer Services** – outreach to Alaskans with tools to evaluate insurance products.

**Enforcement** – investigate consumer complaints and alleged fraudulent insurance, conduct market examinations of insurance companies.

**Premium Tax** – collect and audit Insurance Premium Tax revenues..



# Consumer Protection

## Alcohol and Marijuana Control Office

- Enforce alcohol and marijuana commerce laws and provide clear, consistent standards for licensure to protect the public from harm.
- Erika McConnell, Director



Director Erika McConnell

**Licensing** – Assist the Alcoholic Beverage Control Board and the Marijuana Control Board in licensing of businesses and individuals engaged in the production and sale of alcohol and marijuana.

**Enforcement** – Assist the boards in enforcing alcohol and marijuana commerce laws for public health and safety, through inspection, compliance assistance and complaint investigation.



# Consumer Protection

## Regulatory Commission of Alaska

- Assure viable utility and pipeline service is provided with just and reasonable rates to consumers in Alaska.
- Stephen McAlpine, Chairman



Chairman Stephen McAlpine

**Licensing** – regulate public utilities and pipeline carriers throughout the state.

**Tariff Approval** – evaluate and approve tariff terms, conditions, rules and rates.

**Power Cost Equalization** – calculate the PCE level for both non-regulated and regulated recipients.



# Consumer Protection

## Division of Banking and Securities

- Helping Alaskans create and exchange capital and financial services to sustain our free enterprise system
- Patrice Walsh, Director



Director Patrice Walsh

**Licensing** - Charter, license, and register financial entities, institutions, salespersons, and products.

**Alaska Native Claims Settlement Act** - Accept ANCSA corporation and shareholder proxy filings.

**Enforcement** – Examine licensees for compliance, investigate complaints, and enforce laws.

**Consumer Education** – Provide financial information to the public.



# Department-Wide Services

## Commissioner's Office

- Julie Anderson, Commissioner
- Jon Faulkner, Deputy Commissioner

## Division of Administrative Services

- Provide management information and support services for the Department's programs.
- April Wilkerson, Director



Commissioner  
Julie Anderson



Deputy Commissioner  
Jon Faulkner



Administrative Services  
Director April Wilkerson



## Challenges

- Eliminate regulatory barriers for businesses and create stability
- Refocus on core services to protect consumers and promote healthy, sustainable communities
- Encourage new investment in the state
- Maintain awareness in national and international markets about Alaska products and services
- Examine and manage new or expanded program responsibilities
- Modernize and use existing data to work smarter
- Reasonable, balanced and efficient regulatory framework
- Risk-based consumer protection



Julie Anderson  
Commissioner  
[CED.Commissioner@alaska.gov](mailto:CED.Commissioner@alaska.gov)

Jon Faulkner  
Deputy Commissioner  
[Jon.Faulkner@alaska.gov](mailto:Jon.Faulkner@alaska.gov)

April Wilkerson  
Administrative Services Director  
[April.Wilkerson@alaska.gov](mailto:April.Wilkerson@alaska.gov)