

Department of Commerce, Community and Economic Development
FY22 Subcommittee Book - Significant Transactions
(\$ thousands)

Item	Appropriation / Allocation	Description	Amount / Fund Source	Comment
1	Community and Regional Affairs / Community and Regional Affairs	Remove General Fund Subsidy to Alaska Legal Services	(\$450.0) Gen Fund (UGF)	This decrement eliminates the Division of Community and Regional Affairs' (DCRA) unrestricted general fund (UGF) grant to the Alaska Legal Services Corporation (ALSC). ALSC receives an annual grant from DCRA in the amount of \$450.0 UGF of base funding to provide legal assistance to low-income Alaskans. Since FY19, ALSC has also received additional funding through a language appropriation from the Civil Legal Services Fund (AS 37.05.590). For FY22, the language appropriation is \$311.6 DGF, based on 10% of filing fees received by the Court in FY20.
2	Community and Regional Affairs / Community and Regional Affairs	Reduce Funding and Hold Local Government Specialist III Position Vacant (08-5107)	(\$90.6) Gen Fund (UGF)	The Division of Community and Regional Affairs plans to identify further savings by implementing a virtual training option for communities and other initiatives to fund the Local Government Specialist III position, which has been vacant since February 2020.
3	Corporations, Business and Professional Licensing / Corporations, Business and Professional Licensing	Increase Authority for Prescription Drug Monitoring Program Software and Positions	\$680.0 I/A Rcpts (Other)	The Division of Corporations, Business, and Professional Licensing (CBPL) has been granted, through the Department of Health and Social Services (DHSS), multiple federal grant awards to support part of the Prescription Drug Monitoring Program (PDMP) software and to pay for positions that support the program, including the PDMP Program Coordinator (08-2117). This authority will allow CBPL to receive that funding through a reimbursable services agreement with DHSS. If federal funds are not received, CBPL will fund the PDMP through professional licensing fees charged to licensees in the medical licensing fields.
4	Economic Development / Economic Development	Transfer Alaska Development Team Staff to the Office of the Governor for Statewide Economic Development	(\$239.2) Gen Fund (UGF) (2) PFT Positions	<p>In FY20, the Governor's budget proposed transferring economic development activities - positions and funding - to the Office of the Governor. The legislature denied the request and the positions and funding remained in the Economic Development allocation. The administration then established the Alaska Development Team (ADT) within the Economic Development allocation and proposed a four-year pilot program. They proposed to fund the program using the Alaska Capstone Avionics Revolving Loan funds, which was sunseting at the end of FY20. The legislature denied the request to use Alaska Capstone funds to fund the program.</p> <p>This request transfers the ADT and associated funding to the Office of the Governor. The following positions are slated to be transferred:</p> <ul style="list-style-type: none"> -Full-time Business Development Officer (08-1274), range 27, located in Anchorage -Full-time Development Manager (08-T007), range 28, located in Anchorage <p>One non-permanent Development Assistant position and the Division Director will remain in the Economic Development allocation.</p>

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5	Alaska Energy Authority / Alaska Energy Authority Rural Energy Assistance	Replace Unrestricted General Funds with Power Cost Equalization Endowment Funds	Net Zero (\$847.3) Gen Fund (UGF) \$847.3 PCE Endow (DGF)	General funds in the Alaska Energy Authority Rural Energy Assistance allocation are currently used as a match for the circuit rider program, training programs, and other technical assistance provided by the Denali Commission. Additionally, UGF is used for administration and oversight costs of these programs. Fiscal Analyst Comment: The use of Power Cost Equalization Funds for the purposes of funding rural energy assistance programs and the administration of these programs does not meet the statutory definition for uses of the PCE Fund per AS 42.45.085.
6	Alaska Energy Authority / Alaska Energy Authority Power Cost Equalization	Restore Power Cost Equalization and Endowment Funding for FY2022	\$32,355.0 PCE Endow (DGF)	This increment is a \$2.5 million increase from FY21 in Power Cost Equalization (PCE) grant disbursements based on historical averages and trends in fuel costs. Legislative Finance Division has requested further information from the department. The PCE program provides economic assistance to communities and residents in rural areas, where the cost of electricity can be three to five times higher than for customers in more urban areas of the state. The program was created to equalize power cost per kilowatt-hour (kWh) statewide at a cost close to or equal to the mean of the cost per kWh in Anchorage, Fairbanks, and Juneau. Program costs are impacted by the "PCE floor" calculated by the Regulatory Commission of Alaska (RCA). Per AS 42.45.100-170, the RCA determines if a utility is eligible to participate in the program and calculates the amount of PCE per kWh payable to the utility. The Alaska Energy Authority determines eligibility of community facilities and residential customers and authorizes reimbursement to the electric utility for the PCE credits extended to customers.
7	Alaska Seafood Marketing Institute / Alaska Seafood Marketing Institute	Increase Federal Grant Authorization for Future Awards	\$1,100.0 Fed Rcpts (Fed)	The Alaska Seafood Marketing Institute (ASMI) has submitted two pre-proposals for federal grants pending award in fall 2021 to supplement the seafood marketing assessment. ASMI is also evaluating additional federal funding opportunities. This increment will allow them to accept federal funds if awarded. In the event that ASMI does not receive funding, this could become hollow authority. Fiscal Analyst Comment: The Legislative Audit and Budget Committee approved RPL 08-2021-0278 on December 10, 2020 of federal receipt authority totaling \$850.0 to allow ASMI to carryforward FY20 Market Access Program unspent federal awards to FY21. The carryforward amount totaled approximately \$781.6 of unspent federal awards due to the interruption of COVID-19 pandemic in FY20. Additionally, the RPL allows ASMI to participate in the Cochran Fellowship Program, which provides short-term training opportunities to agricultural professionals from middle-income countries, emerging markets, and emerging democracies. Each training is

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7	Alaska Seafood Marketing Institute / Alaska Seafood Marketing Institute	Increase Federal Grant Authorization for Future Awards	\$1,100.0 Fed Rcpts (Fed)	(continued) anticipated to cost \$60.0 and is reimbursed by the U.S. Department of Agriculture's Foreign Agricultural Service.