



March 23, 2023

The Kuskokwim Corporation  
4300 B St. Suite 405  
Anchorage, AK 99503

Re: House Bill No. 93

To Chair Sumner and Members of the House Labor & Commerce Committee,

I am writing today to express our support of HB 93: "An Act relating to a lumber grading training program and lumber grading certificates; relating to use of lumber graded and certified by a person holding a lumber grading training program certificate; and providing for an effective date."

The Kuskokwim Corporation (TKC) is currently working on a housing project using our local wood resources to build a local economy around harvesting wood from the Middle Kuskokwim. We are further creating local capacity around sawmill production and operations, and creating home packages that will be used to create lower cost, energy efficient housing that are constructed by a local labor force. HB 93 and the proposed lumber grading and training program will greatly benefit not only our housing project, but will also positively affect the state of housing throughout Rural Alaska.

TKC was formed 1977, when ten Alaska Native Claims Settlement Act, or ANCSA, village corporations located along the middle part of the Kuskokwim River merged: Lower Kalskag, Upper Kalskag, Aniak, Chuathbaluk, Napaimute, Crooked Creek, Georgetown, Red Devil, Sleetmute, and Stony River. Today, TKC is one of the largest ANCSA village corporations in Alaska and the surface estate owner of nearly a million acres of land on the middle Kuskokwim River region.

TKC and our non-profit, TKC Fish Wheel, are working with the US Forest Service, the National Renewable Energy Laboratory, the Cold Climate Housing Research Center and the Denali Commission, under a USFS Wood Innovations Grant to develop local resources in the TKC region to create local timber packages to construct affordable homes. The project will create a local economy around wood harvesting, sawmill operations, and construction of the housing packages.

Our housing project will benefit the people of the Middle Kuskokwim region and the Bethel Census area by providing local, affordable, sustainable housing alternatives using local wood

resources that can be built by local laborers in the region. This method could be replicated across Alaska, in areas with an adequate local timber supply. It will build a local economy, build local capacity, and reduce housing costs in the region.

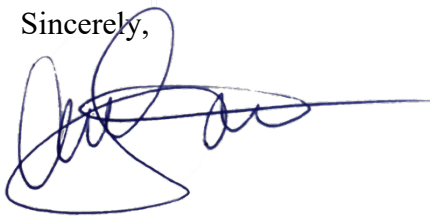
Our area of Alaska is one of the poorest (31.1% live below the poverty line US Census, 2021) in AK & cost of living is extremely high; all goods arrive by plane or barge. Heating fuel reached \$17/gallon in 2022 (DCRA, 2022). The region has the highest rate, 40%, of overcrowded households in Alaska (AHFC, 2017) & 81% of homes have ventilation issues exposing occupants to health risks (AHFC, 2017). TKC is installing a specialty sawmill to build up to 40 energy efficient log homes per year & expanding local wood harvest with an associated long term harvest program.

HB 93 and the local lumber exemption would allow TKC's mill workers to attend a training on grading lumber for structural uses, after which they would be able to grade and stamp our own lumber produced by the mill locally, saving us time and money, and ultimately, allowing us to produce more locally built homes.

The Bethel Census area, which includes our Middle Kuskokwim area, experiences extreme overcrowding of current housing stock, as do many of the other regions of Alaska. An estimated 35% of homes in the Census area are overcrowded or severely overcrowded, 11 times the national average. Building homes in rural, Tribal communities is often very expensive and utilizes grant funding. By utilizing local wood resources, and the HB 93 local lumber exception, we will be able to reduce costs of importing wood to build these homes. HB 93 would greatly reduce the cost of ordering roof trusses and floor trusses, which take up a lot of space on a barge and currently add cost for any rural housing projects.

I appreciate your consideration of HB 93 and the immense, positive impacts it will have for not only the housing projects in the Middle Kuskokwim area, but all of Rural Alaska.

Sincerely,



Andrea Gusty  
President & CEO  
The Kuskokwim Corporation