

ALASKA STATE LEGISLATURE
HOUSE LABOR AND COMMERCE STANDING COMMITTEE

February 7, 2001
3:20 p.m.

COMMITTEE CALENDAR

OVERVIEW: ALASKA SCIENCE AND TECHNOLOGY FOUNDATION

TAPES

01-14, SIDES A & B

CALL TO ORDER

REPRESENTATIVE LISA MURKOWSKI, Chair, called the House Labor and Commerce Standing Committee meeting to order at 3:20 p.m.

PRESENT

Committee members present were Representatives Murkowski, Halcro, Meyer, Rokeberg, and Hayes.

SUMMARY OF INFORMATION

JAMIE KENWORTHY, Executive Director, Alaska Science and Technology Foundation (ASTF), discussed the economic performance, addressed the ASTF business survey, and answered questions from committee members.

MR. KENWORTHY noted that the benchmarks illustrate how Alaska is performing against other states. He reported that Alaska is doing well with Internet usage and high school graduates. Alaska is about average on per-capita income, but last in terms of the rate of income growth. He concluded by saying that Alaska has no venture capital, no industry.

MR. KENWORTHY remarked that Alaska's economic base includes oil, timber, seafood, and tourism. Traded goods and services are Alaska's base. He noted that the state was at one time two-thirds dependent on federal spending for its economic base, and is now one-third dependent. Oil is now about 43 percent of our economic base. He clarified that the base measures wealth as much as jobs.

MR. KENWORTHY noted that tourism, air cargo, seafood, and mining are expanding industries. In fact, Alaska is doing better in

seafood and mining than other places. He also noted that Alaska has no private-sector wealth and no sustainable market economy. He remarked, "Alaska is not getting richer."

MR. KENWORTHY referred to the results of the ASTF survey and reported that Alaskans believe they have a good-to-excellent quality of life. They also believe that the state of Alaska lacks a sustainable market economy. In fact, when referring to a successful economy not being dependent on one industry on the ASTF survey, Alaska scored very poorly because it is so reliant on the oil industry. Respondents acknowledged the need for a long-range fiscal plan, but only as part of a larger overall picture to improve the state's economy.

MR. KENWORTHY concluded by stating that Alaska needs to find a new way of doing business. "We" need to find an industry, whether it is gas, oil, or timber; make a commitment to quality; and find a way to capture skilled and talented workers and keep them in the state.

ANNOUNCEMENTS

CHAIR MURKOWSKI announced that the subcommittee on aviation insurance, chaired by Representative Halcro, would report its findings at the March 21, 2001 meeting.

COMMITTEE ACTION

The committee took no action.

ADJOURNMENT

CHAIR MURKOWSKI adjourned the House Labor and Commerce Standing Committee meeting at 4:45 p.m.

NOTE: The meeting was recorded and handwritten log notes were taken. A copy of the tape(s) and log notes may be obtained by contacting the House Records Office at State Capitol, Room 3, Juneau, Alaska 99801 (mailing address), (907) 465-2214, and after adjournment of the second session of the Twenty-Second Alaska State Legislature this information may be obtained by contacting the Legislative Reference Library at (907) 465-3808.