

**ALASKA STATE LEGISLATURE**  
**HOUSE COMMUNITY AND REGIONAL AFFAIRS STANDING COMMITTEE**

January 22, 2009

8:01 a.m.

**MEMBERS PRESENT**

Representative Bob Herron, Co-Chair  
Representative Cathy Engstrom Munoz, Co-Chair  
Representative Wes Keller  
Representative Charisse Millett  
Representative Sharon Cissna  
Representative Berta Gardner

**MEMBERS ABSENT**

Representative John Harris

**COMMITTEE CALENDAR**

OVERVIEW: DEPARTMENT OF COMMERCE, COMMUNITY, & ECONOMIC  
DEVELOPMENT

- HEARD

**PREVIOUS COMMITTEE ACTION**

No previous action to record

**WITNESS REGISTER**

EMIL NOTTI, Commissioner  
Department of Commerce, Community, & Economic Development  
Juneau, Alaska

**POSITION STATEMENT:** Provided an overview of the Department of  
Commerce, Community, & Economic Development.

MICHAEL BLACK, Deputy Commissioner  
Department of Commerce, Community, & Economic Development  
Juneau, Alaska

**POSITION STATEMENT:** Provided an overview of the Department of  
Commerce, Community, & Economic Development.

**ACTION NARRATIVE**

[8:01:55 AM](#)

**CO-CHAIR CATHY ENGSTROM MUNOZ** called the House Community and Regional Affairs Standing Committee meeting to order at 8:01 a.m. Representatives Munoz, Herron, Keller, Millet, and Gardner were present at the call to order. Representative Cissna arrived as the meeting was in progress.

[8:02:52 AM](#)

CO-CHAIR MUNOZ introduced support staff to the committee.

Overview: Department of Commerce, Community, & Economic Development

[8:03:39 AM](#)

CO-CHAIR MUNOZ announced that the only order of business would be an overview from the Department of Commerce, Community, & Economic Development (DCCED). She reviewed Commissioner Notti's background, including that he served as the first president of the Alaska Federation of Natives (AFN) and was a major player in the establishment of the state's Native corporations.

[8:04:29 AM](#)

EMIL NOTTI, Commissioner, Department of Commerce, Community, & Economic Development (DCCED), began by relating that DCCED is a diverse department that touches the lives of many Alaskans on a great many issues. In fact, the mission of DCCED is to promote a healthy economy and strong communities. The aforementioned is accomplished by regulating existing industry to protect consumers and to help create a stable business climate, by assisting local governments with self-governance and sustainability training, and by coordinating, promoting, and developing economic growth of new or expanding businesses. Commissioner Notti then informed the committee that a number of independent agencies report through DCCED as their budgets flow through DCCED. The department consists, he opined, of a very talented and dedicated group of division directors. He then specified the divisions within DCCED and the six agencies that report through DCCED. The department also has a seat on or is highly involved in the boards of 23 commissions. Commissioner Notti then highlighted that he has two position control numbers (PCNs) for deputy commissioners, but only one position is funded and filled. He said that he needs both positions to be filled. Last year, when there were two deputy commissioners one addressed rural Alaskan communities.

8:08:35 AM

COMMISSIONER NOTTI, in response to Representative Gardner, clarified that DCCED has two PCN numbers for the deputy commissioner position, but has only received funds for one position and thus only one deputy commissioner position is filled.

8:09:29 AM

COMMISSIONER NOTTI, continuing his overview, told the committee that the department has office locations throughout the state. He then reviewed the divisions and their responsibilities. The Division of Administrative Services provides professional services for the department and is responsible for the department's budget issues, procurement, and property control. A large part of the Division of Administrative Services is information technology, which keeps the division very busy. Furthermore, the Division of Administrative Services works with the Office of Management & Budget regarding the audits for which the division receives requests. Commissioner Notti then informed the committee that Serve Alaska was established in 1994 to establish the state's ability to receive AmeriCorps funding. AmeriCorps volunteers perform a great number of projects, including development projects for young Alaskans such as life skills, job readiness, or education. Moreover, AmeriCorps addresses the needs of rural Alaska through health projects and environmental youth development. AmeriCorps also does a large amount of work to meet Alaska's social needs, including prison re-entry, domestic violence, and drug and alcohol dependency. He informed the committee that in the last year AmeriCorps volunteers served 275,400 volunteer hours. In fact, through AmeriCorps' educational opportunities 373 people received general equivalency diplomas (GEDs). During March 1994-March 2008 there have been 2,558 AmeriCorps members who have provided \$3.2 million worth of service.

COMMISSIONER NOTTI then turned to the Division of Banking & Securities, which provides oversight of the state's banking institutions of which there are 71 in the state that are subject to regulation by the division. Last year, the division conducted examinations of more than half of the institutions. By state law, each institution is required to be examined every 18 months. Due to investigations into licensed activities, the division acquired a refund of approximately \$10,000 in finance charges. This past year the division approved four new licenses

to conduct pay day lending, four new licenses to conduct premium finance business in Alaska. The Division of Banking & Securities enforces the Alaska Securities Act and the associated regulations. The enforcement functions include handling complaints and investigations of registered entities and regulated offerings as well as investigating unregistered activities/scams. The primary mission of the Securities section of the division is to protect Alaska residents from financial harm. Commissioner Notti highlighted that in fiscal year 2008 the division generated over \$13 million in revenue with a budget of about \$2 million. As is the case with most of the department, this division is funded by fees to it. He pointed out that the division conducted over 50 security investigations, which are turned over to the attorney general if laws are broken. The division's job is to protect investors and Native shareholders. One of the largest investigations occurred due to the failure of auction rate securities. The division received complaints totaling almost \$100 million in invested funds. The Division of Banking & Securities has oversight of the Alaska Native Claims Settlement Act (ANCSA) corporations, which are required to send annual reports to the state. The division investigated 35 complaints, implemented the following two new laws including the Alaska Mortgage Rate Lending Regulation Act, which licenses and examines regulated mortgages, originators, brokers, and lenders. The other new law the division implemented is the Alaska Uniform Money Services Act.

[8:17:17 AM](#)

COMMISSIONER NOTTI moved on to the Division of Community and Regional Affairs, which addresses rural Alaska and local government. This division, through the Rural Utilities Business Advisor (RUBA) Program, performs a lot of rural training for the management of water and sewer systems as well as record keeping. Last year the [RUBA Program] made 182 trips to 172 communities for a total of 470 days of onsite assistance for the areas of utility management, financial management, personnel issues, and election and adoption of ordinances. Within the division is the Local Boundary Commission (LBC), which incorporated a new borough in Wrangell and performed an annexation within the Ketchikan Gateway Borough. He noted that the aforementioned is accomplished by the LBC and its small staff. The [division] is also responsible, due to the requirement of village corporations to give land to communities. When land claims pass, those who are on the land receive the land at no cost. The department does the mapping of the aforementioned. One of the big things the department does is deals with grants. In fact, the

department has over 900 grants in various stages of completion, which amount to close to over \$1 million in state money for projects across the state.

8:19:39 AM

COMMISSIONER NOTTI continued by addressing the Division of Corporations, Business and Professional Licensing, which implemented the Alaska Mortgage Licensing and Regulation Act and Prescription Drug Monitoring Project. The division licenses 39 professional occupation programs and regulates over 100,000 individuals, businesses, and corporations that offer services in the state. Commissioner Notti then turned attention to the Division of Insurance, which licenses Alaska-based insurance companies and provides oversight of agents for compliance with Alaska Statutes. The [division] enforces the statutes and regulations and conducts the examinations of insurance companies/agencies. The Financial Reports and Audits compliance section performs financial reports and audits, which enforce statutes and regulations on tax and surplus lines and collect premium tax revenue for the state. In 2007 54 fraudulent insurance cases were investigated. Since 2006 there have been eight criminal investigations. Commissioner Notti opined that the division does a lot of public outreach to inform [the public] of its rights and prevent fraud from insurance companies. There are over 20 investigators within the department. Commissioner Notti then moved on to the Division of Investments, which is very active in providing low interest loans to upgrade diesel engines in the fishing fleet in an attempt to reduce carbon emissions. He recalled that the Division of Investments has performed about 170 audits on the fishing fleets to determine the amount of carbon placed in the atmosphere during the fishing process. Last year the division began making loans to pilots for the upgrade of navigation equipment, which has reduced the accident rate in Southeast Alaska by almost 47 percent. He related that based on the state's commitment to make low interest loans available to airplane owners, the Federal Aviation Administration (FAA) committed over \$400 million of equipment. He noted that [these loans to pilots for navigation equipment upgrades is a Capstone program, from which early numbers indicate that it's good for safety.

8:24:46 AM

COMMISSIONER NOTTI moved on to the Office of Economic Development, which publishes reports on economic performance,

net rate of return on industries, the Alaska mineral industry report, Alaska logging history, and Society of Foresters, and the Alaska Film Office. The Alaska Film Office will give rebates to those companies that come to Alaska to make movies. The rebates are allowed over the course of the next five years and the Alaska Film Office is authorized to provide rebates totaling \$100 million. Commissioner Notti related that the Office of Economic Development also addresses rural tourism training. He then noted that there are now 12 Alaska Regional Development Organizations (ARDORs), each of which receive \$57,000 annually. The aforementioned funds are matched by local communities; the notion is that ARDORs look for business opportunities and training in rural Alaska. He pointed out that the Office of Economic Development monitors the Made in Alaska program and offers a small business assistance center.

8:26:58 AM

COMMISSIONER NOTTI then reviewed the independent agencies that report to DCCED, which include the Alaska Aerospace Development Corporation, Alaska Energy Authority (AEA), Alaska Industrial Development and Export Authority (AIDEA), Alaska Railroad Corporation (ARRC), Alaska Seafood Marketing Institute (ASMI), Serve Alaska [formerly Alaska State Community Service Commission], and Regulatory Commission of Alaska (RCA). He related that the main functions of the Alaska Aerospace Development Corporation are located in Kodiak. The Alaska Aerospace Development Corporation brings in mainly federal funds through contracts for launches. This year the corporation is requesting funds to construct a second launch pad. He then informed the committee that AIDEA provides loans that were originated by banks, which put forth 10 percent of the loan while AIDEA puts forth 90 percent. One of the large projects in which AIDEA is involved is the Red Dog Mine. He mentioned that about \$300 million is invested in that project. He pointed out that AIDEA takes risks that banks wouldn't. He noted that the committee should have copies of AEA's detailed plan, which he characterized as a historical document that's the first compilation of all the data for every village or community. With regard to the ARRC, he noted that there is concern as to whether the Flint Hills refinery will shutdown because it represents about 30 percent of the revenue for ARRC. He then turned to ASMI, which produces impressive publications that are distributed worldwide. The statistics relate that these publications have enhanced the price of Alaska salmon in the market. In closing, Commissioner Notti reiterated how diverse DCCED is.

8:31:53 AM

CO-CHAIR HERRON asked if Commissioner Notti could share what he knows about the situation in Emmonak.

COMMISSIONER NOTTI informed the committee that current laws don't allow DCCED to declare an economic emergency because the level of economic income hasn't been impacted to the point at which an economic emergency can be declared. However, other things can be done as illustrated [by the efforts] through the Division of Military Affairs, [Department of Labor & Workforce Development], and the [Department of] Education. Last Friday [department staff] spent two hours on the phone with communities, Tuesday morning a team flew out to Bethel and Emmonak. He said he expected the first written report on Friday, which he offered to make available. Commissioner Notti explained that although the king salmon fishery was a bust and the income level dropped, it wasn't enough to impact the overall income level. He opined that it's not an income level problem as that hasn't changed for years, rather the problem is when the price of oil went to \$144 per barrel and thus food, fuel, and transportation costs rose. He recalled anecdotes that those in the Emmonak area were paying \$7 for a gallon of milk and \$12 for two hotdogs.

8:35:52 AM

CO-CHAIR HERRON asked if the situation in Emmonak is "a canary in a coal mine" as there are likely such difficulties related to high energy costs in all regions of the state.

COMMISSIONER NOTTI acknowledged that the cost of energy impacts everyone. Furthermore, low cost energy and a trained workforce is necessary for economic development and to be competitive in a world market. Moreover, [communities] don't have a good transportation system unless situated by water.

8:37:36 AM

CO-CHAIR HERRON inquired as to the commissioner's take on the situations in Healy, Fairbanks, and Homer.

COMMISSIONER NOTTI said that the Healy clean coal project has been a problem for the state for probably 10 years and the state has a fair amount of money in the project. He related that AIDEA made it a goal to solve the problem and has been working

intensely on it for the past year. There's an agreement in place, but it will take approximately six months to get the plant running. Although the [Healy clean coal project] will solve some of the difficulties, there will still be energy problems in the Railbelt area. He highlighted that the generating capacity is old and needs to be replaced, and therefore any energy, especially of the natural gas sort, would be helpful. He noted that four miles west of Nenana the plan is to drill 10,000 feet in the hope of finding natural gas. The plan is to generate 150 megawatts to feed Fairbanks and south of Anchorage. He mentioned that the study about the six generating companies that feed the market will be released soon.

[8:41:16 AM](#)

REPRESENTATIVE CISSNA commented that the effects of energy costs to Alaska are profound and many departments have to address those effects. She then inquired as to the effort of DCCED to work in a network pattern. She recalled hearing predictions of the many public health problems due to high energy costs and the sharing of houses, for example.

COMMISSIONER NOTTI related that DCCED's primary effort comes through its seat on the board of directors for AEA and AIDEA. Furthermore, the department gathers information and compares the cost of energy and fuel throughout Alaska. The department encourages groups to purchase fuel in bulk, when possible. In fact, the community development quota (CDQ) group in Nome guarantees payment on the loan to the shipper/seller of the fuel. As a result, the fuel costs last year for those who purchased [via the CDQ program] and in bulk paid \$1 per gallon less. Therefore, the department encourages groups to form cooperatives to purchase fuel in bulk. He then highlighted the pressure the suppliers experience because they're required to make payment on the fuel the supplier obtains, and therefore they need immediate payment. The aforementioned highlights the need for good credit and that part of the reason for the high cost is the losses that have to be covered. Guaranteed loans would help, he opined. The state has two programs, including the low cost loans AEA/AIDEA provides to purchase bulk fuel twice a year. The villages have to have a good credit rating to take advantage of the aforementioned low cost loans. If the villages can't pass the credit test, they can approach DCCED for a zero interest loan.

[8:46:35 AM](#)

REPRESENTATIVE CISSNA surmised then that DCCED is working with the local communities. She then related her understanding that regional centers are facing an influx of rural residents who are competent and have the skill sets needed to run the local governments. She asked if anyone is reviewing the aforementioned.

COMMISSIONER NOTTI agreed that it's a serious problem and that the expectation is the crisis isn't over. With regard to health problems, the director of the Yukon Kuskokwim Corporation has expressed concern as to the results of people who don't follow a proper diet.

8:49:31 AM

REPRESENTATIVE GARDNER recalled that last August during the \$1,200 energy rebate debate, rural legislators pointed out that the state was heading toward a crisis. Part of the discussion was whether it was better to give \$1,200 to every Alaskan or to invest those funds in avoiding crises throughout the state. She inquired as to whether things could've been done differently or whether there is new information or something that could've been changed between last August and now.

COMMISSIONER NOTTI answered that he wasn't aware of anything that could've been done differently. He pointed out that the state is spending a lot of money on low interest loans [in rural areas] and zero interest loans. Still, there's a risk to sellers of fuel. Once all the facts are available, ideas regarding how to distribute fuel will come forward, he predicted.

8:52:02 AM

REPRESENTATIVE GARDNER then turned the discussion to the use of renewable energy sources. One benefit of renewable energy usage is that it creates jobs and cash income in communities that don't have much. With regard to the RUBA program, Representative Gardner asked if DCCED anticipates use of the existing program to train new people for the new projects/utilities.

COMMISSIONER NOTTI remarked that he hadn't really thought about what would occur in the future, but characterized it as a good template.

REPRESENTATIVE GARDNER asked if there's a problem determining/clarifying who has responsibility for training and maintaining a project. She asked, specifically, if the state maintains the responsibility [for training and maintaining the project] throughout the life of the project or is there a point at which the local community takes over.

COMMISSIONER NOTTI related his understanding that when a city takes ownership, it's the city's responsibility. The state, he further related, wants to avoid returning to grant another project. Therefore, it's in the state's interest to spend the money on training and hope the cities take over. The larger communities, such as Nome, Kotzebue, and Bethel, do fairly well because there is a large enough population base to do so.

REPRESENTATIVE GARDNER surmised then that the template isn't really effective in regard to cities taking over. Therefore, she suggested that the state should do something to shift that.

[8:55:40 AM](#)

REPRESENTATIVE MILLETT related that Mr. Haagenson has some interesting ideas about hedging fuel buys in order to stabilize fuel costs in Alaska. She asked if there has been any movement toward that.

COMMISSIONER NOTTI acknowledged that there has been discussion of such, although he didn't know of any plans to implement it. The situation, he opined, comes down to a workable credit system.

[8:56:32 AM](#)

CO-CHAIR HERRON said that he has several questions that he could format in a list to which the commissioner can respond to the committee. He then recalled that the commissioner of the Department of Environmental Conservation (DEC) told him that the present stimulus package for DEC is about \$81 million. He asked if Commissioner Notti knew the amount coming from DEC's stimulus package to DCCED.

COMMISSIONER NOTTI answered that he doesn't know. However, he recalled seeing that DEC was going to release \$350 million for community development block grants, which would come through DCCED.

[8:58:07 AM](#)

REPRESENTATIVE GARDNER requested detail regarding the status of the prescription drug monitoring program.

COMMISSIONER NOTTI deferred that question.

8:58:41 AM

REPRESENTATIVE GARDNER, regarding Capstone, related her understanding that Alaska was initially a pilot program, but the federal government ultimately told the state it would have to [fund it] in order for it to continue. The state did so and provided some low cost loans and some infrastructure for the receiving segments. She asked if anything else needs to be done.

COMMISSIONER NOTTI opined that the FAA is committed to do it, and he didn't believe it has any plans to change it. The program is working, although the amount of applications for loans that was desired wasn't received.

9:00:10 AM

REPRESENTATIVE GARDNER, recalling the Red Dog, Skagway dock, and the Ketchikan shipyard, asked if, due to the recession, there have already been slow downs in the aforementioned projects.

COMMISSIONER NOTTI said that the predictions are that the activities at the ore dock in Skagway will increase. In Ketchikan, there's a contract to do some building, and thus he projected more work.

9:01:32 AM

CO-CHAIR MUNOZ turned attention to the power cost equalization (PCE) program. She asked if DCCED has a position on extending PCE to businesses until a community can be tied into an alternative source of energy.

COMMISSIONER NOTTI specified that although the department hasn't taken a position on it, his personal view is that it should happen. The businesses, he opined, need the break to survive and without it cost to the customer increases.

9:02:40 AM

CO-CHAIR HERRON inquired as to what has surprised and disappointed Commissioner Notti in his two years as commissioner of DCCED.

COMMISSIONER NOTTI related that he was surprised to learn that the Department of Commerce didn't have an economist on staff, which meant that information had to be sought throughout state government. An economist is now on staff and the plan is to compile data related to business in Alaska in order that there is one source of information. The disappointment, he specified, is that DCCED has one deputy commissioner who is overworked.

[9:05:47 AM](#)

CO-CHAIR MUNOZ then called Mr. Black forward and reviewed his background, highlighting that he has led the department's efforts for affordable fuel for rural communities, municipal revenue sharing, planning and coordination of assistance for flood and erosion, threatened communities, and rural land ownership issues in our smaller communities.

[9:06:52 AM](#)

MICHAEL BLACK, Deputy Commissioner, Office of the Commissioner, Department of Commerce, Community, & Economic Development (DCCED), first noted he has been with the Department of Commerce, Community, & Economic Development (DCCED) for 28 years. He said his background includes local government assistance and community planning, primarily in rural Alaska, along with economic development programs. He was director of the former Division of Community Advocacy which is now the Division of Community and Regional Affairs. Now, as deputy commissioner of the Department of Commerce, Community, & Economic Development (DCCED), he has the assignment of various boards as well as the responsibility for economic development and rural issues.

MR. BLACK related that the department's staff is interested, engaged, and energetic, and deals with many issues. However, a great deal of time is required just to understand even one of these issues, he said, and at times it is like being a fireman running from one crisis to another. The department plays a role in rural energy issues primarily through loan programs, such as the bulk fuel bridge loan program, he explained. Besides financing there is also the problem of management, such as the ordering and delivering of fuel. Therefore, it is a good marriage to have the Division of Community and Regional Affairs'

local government assistance program working with the Division of Investments' loan program. This gives the department a broad view of problems. The efforts of the Alaska Energy Authority (AEA) in developing an energy plan and the Renewable Energy Fund are encouraging opportunities, he added, and the department looks forward to allowing Alaska's communities to get off the roller coaster of oil energy prices. Because its various divisions assist communities on economic and other issues, the Department of Commerce, Community, & Economic Development is the frontline defense for ensuring that Alaska's communities remain viable and able to endure various circumstances.

[9:12:33 AM](#)

MR. BLACK said he and Commissioner Notti are involved in Governor Palin's recently created Rural Subcabinet. The subcabinet is responsible for examining rural issues and making recommendations to the governor and legislature. For example, the subcabinet is working with First Alaskans to determine the root cause of migration [from rural communities to urban areas] and a report is expected soon. He said the department is also participating in the Climate Change Subcabinet, and he is serving as Co-Chair of the Immediate Action Workgroup that is looking at the most critical needs and actions that need to be taken by the State of Alaska in the next 12-18 months. Much of that involves communities threatened by eroding, flooding, and melting permafrost.

MR. BLACK conveyed that DCCED works with various industries on the various economic issues and the Office of Economic Development will be reporting to the legislature on the state of those industries. He noted that revenue sharing is an important part of the department's assistance to local governments. In addition to state funds, this revenue sharing includes federal money, such as federal forest receipts. The department is currently administering about \$900 million in grants to communities. He said hot topics include energy, cost of living, sustainability of communities, climate change, and how climate change issues affect communities, individuals, and industry. Also of interest to DCCED, he continued, are the opportunities that climate change might represent in terms of economics and transportation. The federal government is very interested in Arctic issues which include resources and transportation infrastructure in Alaska. For example, he continued, the U.S. Coast Guard has pointed out that there are no safe ports in Alaska for large vessels coming through the Northwest Passage

and this could possibly be a part of the forthcoming federal stimulus package.

9:19:19 AM

CO-CHAIR HERRON remarked that he and the three other committee members from Southcentral Alaska look forward to hearing from the director of the Alaska Energy Authority at a later date because their districts are all impacted by energy. He inquired as to what DCCED is doing to assist in the dialogue with the Alaska Railroad Corporation and Flint Hills Resources ("Flint Hills").

MR. BLACK responded that the primary discussion regarding the Flint Hills refinery has been through the Department of Natural Resources and the governor's office, although DCCED has been involved with the discussions through the community of North Pole and the Fairbanks North Star Borough. He noted that DCCED has pointed out the economic importance of that refinery and its relationship to fuel supplies, especially in Western Alaska. Additionally, his department has brought the concerns of the municipality of North Pole to the attention of the administration regarding the relationship of the refinery to the waste water treatment facilities that North Pole operates. He said that without those waste water treatment facilities being upgraded, the refinery itself may not meet the state's environmental standards. So, there are issues that are not always on the surface that might put at risk the company's ability to continue to operate that refinery.

9:21:53 AM

CO-CHAIR HERRON asked whether there should be a return to the two previously separate departments: Department of Commerce and Department of Community and Regional Affairs.

MR. BLACK replied that he often thinks about that question, given he worked for the Department of Community and Regional Affairs (DCRA) before the merger. He said the main mission of DCRA was to focus on rural issues. It had a broad array of programs that addressed a wide range of issues - such as labor, housing, energy, and local government assistance - as an entire package. However, DCRA was the weakest and most difficult department to get resources to and thus the department was always crying for more assistance and resources. For rural Alaska, DCRA represented a one-stop shop up until the merger. "We found it easier to certainly get our budget requests passed

through this legislature as the Department of Commerce, not the Department of Community and Regional Affairs," he said. He offered his opinion that the Department of Commerce brings with it a broader array of interests in all sectors of the state, whereas the Department of Community and Regional Affairs was looked at, rightfully, as the rural department.

[9:24:37 AM](#)

REPRESENTATIVE CISSNA inquired whether the department has been looking at more aggressive efforts to include the university in climate change work so that Alaska could take the lead in research on global polar issues.

MR. BLACK answered that the efforts being organized under DCCED on the climate change strategy for the state of Alaska have major involvement of various departments of the University of Alaska. The DCCED is not relying solely on the University of Alaska because there are many other universities here in the state actively involved in looking at Arctic issues. However, he said he believes that this effort in developing a strategy for the state has elevated awareness that the University of Alaska, Fairbanks is actively involved in much of the research that DCCED will rely upon. In addition to the university, there are other research organizations within the state. For example, the Cold Climate Housing Research Center has been engaged in the discussion on how to deal with permafrost melting and energy efficiency. He said he believes the university has a grand opportunity because "we are the point of the spear in Arctic issues."

[9:28:43 AM](#)

REPRESENTATIVE GARDNER requested a copy of the outline for Mr. Black's discussion. She asked whether Mr. Black is based in Juneau and, if not, how long is he here.

MR. BLACK responded that he lives in Representative Gardner's district and is not based in Juneau, although he is in Juneau for the majority of session.

CO-CHAIR HERRON offered his appreciation to Commissioner Notti and Mr. Black for their comments and said he looks forward to working with them and the committee on all of these issues.

[9:30:49 AM](#)

MR. BLACK, at the request of Co-Chair Munoz, introduced department staff in attendance.

CO-CHAIR MUNOZ thanked Mr. Black for his presentation.

[9:34:41 AM](#)

**ADJOURNMENT**

There being no further business before the committee, the House Community and Regional Affairs Standing Committee meeting was adjourned at 9:34 a.m.