

ALASKA STATE LEGISLATURE
HOUSE SPECIAL COMMITTEE ON ECONOMIC DEVELOPMENT, INTERNATIONAL
TRADE AND TOURISM

February 3, 2009

5:16 p.m.

MEMBERS PRESENT

Representative Jay Ramras, Chair
Representative Nancy Dahlstrom
Representative Kyle Johansen
Representative Mike Doogan
Representative Chris Tuck

MEMBERS ABSENT

Representative Mike Chenault
Representative Mark Neuman

COMMITTEE CALENDAR

Discuss House Special Committee on Economic Development, International Trade and Tourism goals and priorities for the 26th Legislative Session.

- HEARD

PREVIOUS COMMITTEE ACTION

No previous action to record

WITNESS REGISTER

No witnesses to record

ACTION NARRATIVE

[5:16:26 PM](#)

CHAIR JAY RAMRAS called the House Special Committee on Economic Development, International Trade and Tourism meeting to order at 5:16 p.m. Representatives Dahlstrom, Johansen, Doogan, Tuck, and Ramras were present at the call to order.

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Discuss House Special Committee on Economic Development,
International Trade and Tourism goals and priorities for the
26th Legislative Session.

CHAIR RAMRAS announced the only order of business will be a discussion on the goals and priorities for the committee.

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CHAIR RAMRAS introduced Margaret Dowling, who is the committee aide, and advised that the committee will not hear any bills; furthermore, there may be two members added to the committee. Chair Ramras noted that a presentation by World Trade Center Alaska is scheduled for 2/10/09, and he has contacted Alaska Housing Finance Corporation about leading a discussion on the relative health, region by region, of the housing market in Alaska. He also suggested a presentation by the Alaska banking industry on the flow of credit and capital throughout the state. Finally, it would be appropriate for the committee to hear an overview on retail gasoline [pricing] subsequent to the receipt of the reports on that subject issued by the attorney general and the House Judiciary Standing Committee.

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CHAIR RAMRAS invited suggestions for topics of discussion from the committee.

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REPRESENTATIVE TUCK expressed his hope that Alaska will begin to manufacture physical goods and "value add" [to] the resources that the state has. This would include learning what can be done competitively, through technology and through machine tool methods and process methods. He opined that by using the University of Alaska (UA) system, Alaska can duplicate what was done in Texas to develop the petro-chemical industry. By supporting scientific studies at the university, technology can be developed and applied by entrepreneurs in the state. This is similar to what California did to develop Silicon Valley. Representative Tuck stressed the importance of maximizing Alaska's wealth of resources, before it is exported, to produce high paying jobs, stronger trade, and a better economy; this would also strengthen in-state tourism. His vision is for the state to produce physical wealth through value-added goods and sustain its economy independently.

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CHAIR RAMRAS re-stated Representative Tuck's interest in value-added goods and encouraged him to have his staff research this topic for further discussion. On the subject of tourism, Chair Ramras asked Representative Neuman to make inquiries about a possible presentation.

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REPRESENTATIVE DAHLSTROM agreed with Representative Tuck and suggested that the ideas also fall under the category of workforce development. She is also interested in reviewing the [gasoline pricing] reports.

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REPRESENTATIVE TUCK added that fully funding science and technology facilities at the university level is an economic driver and thus an element of interest to the committee.

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REPRESENTATIVE DOOGAN expressed his interest in learning about workforce development relating to how much is being done in the state, and whether needed workers are being trained in the right fields. Although workforce development is a popular subject, it is not clear what results are to be expected, he opined.

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CHAIR RAMRAS suggested that Representative Doogan research the resources for this topic. Noting that a special committee does not have the sufficient stature to schedule "high level" speakers, such as the president of the UA, Chair Ramras encouraged the committee to develop alternate sources of information and to provide "a horizon of study and a list of resources" to contact.

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REPRESENTATIVE TUCK related his receipt of a report discussing non-resident workers, and pointed out that this situation should be of interest to the committee because of the value of wages going out of state. Workforce development is a key way to keep wealth in the state by [assuring that] oil and gas,

construction, and other high paying jobs go to Alaskans instead of non-residents.

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CHAIR RAMRAS reviewed the title of the committee and surmised that the "Trade" piece has been forgotten. He asked members to turn their focus outward to international trade partners for value-added products such as fishing and fertilizer. He identified Agrium, Inc., and what that industry can mean to residents and to the natural gas market.

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REPRESENTATIVE JOHANSEN offered examples of "looking inward ... and looking outward." Alaska Ship and Drydock, Inc., in Ketchikan, is a state-owned facility operated by a private company that is repairing and building ships. In fact, the first ship built was the Ketchikan International Airport ferry, built with general fund (GF) money to serve an Alaskan community. In addition, the corporation is building a ship for the U.S. Department of Defense and a vessel for Chevron Corporation. Alaska Ship and Drydock is also very involved with the Department of Labor & Workforce Development (DLWD) and its goal is for Ketchikan to become the northern West Coast maritime center for ship repair and shipbuilding. An additional long-term goal is to synchronize with UA in the teaching of job skills that are common to shipbuilding and the construction of the gas pipeline.

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CHAIR RAMRAS lauded Representative Johansen's long-term support of the shipbuilding industry and assured him that a presentation by Alaska Ship and Drydock, Inc. will be welcomed.

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REPRESENTATIVE JOHANSEN continued to report that the fishing industry is also growing in Ketchikan; in fact, since 1995 the dive fishery has grown from \$0 to contributing \$4 million to the industry. The dive fishery is self-assessed and is in the process of collecting baseline science and the assessment of stocks for all of the areas fished. He emphasized that this fishery is specifically for the Far East market and the state agencies involved include the Department of Environmental Conservation (DEC) and the Alaska Department of Fish and Game

(ADF&G). Representative Johansen suggested that the committee will also want to hear from a representative of the Southeast Alaska Regional Dive Association (SARDFA).

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CHAIR RAMRAS recommended that committee members submit topics of interest to the committee aide for the calendar. Additionally, he suggested that members consider a trade mission during the interim. A worthwhile trade trip may take the committee to Ketchikan to look at the ship dry dock facility, or overseas to explore value-added export markets.

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ADJOURNMENT

There being no further business before the committee, the House Special Committee on Economic Development, International Trade and Tourism meeting was adjourned at 5:40 p.m.