

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

January 22, 2015

8:02 a.m.

**MEMBERS PRESENT**

Representative Cathy Tilton, Chair  
Representative Paul Seaton, Vice Chair  
Representative Shelley Hughes  
Representative Benjamin Nageak  
Representative Lora Reinbold  
Representative Harriet Drummond  
Representative Dan Ortiz

**MEMBERS ABSENT**

All members present

**COMMITTEE CALENDAR**

OVERVIEW: DEPARTMENT OF COMMERCE~ COMMUNITY & ECONOMIC  
DEVELOPMENT

- HEARD

**PREVIOUS COMMITTEE ACTION**

No previous action to record

**WITNESS REGISTER**

FRED PARADY, Acting Commissioner  
Department of Commerce, Community & Economic Development (DCCED)  
Juneau, Alaska

**POSITION STATEMENT:** Presented an overview of DCCED.

LAWRENCE BLOOD, Acting Director  
Division of Community & Regional Affairs  
Department of Commerce, Community & Economic Development  
Anchorage, Alaska

**POSITION STATEMENT:** During the overview of DCCED, answered questions.

**ACTION NARRATIVE**

[8:02:53 AM](#)

**CHAIR CATHY TILTON** called the House Community and Regional Affairs Standing Committee meeting to order at 8:02 a.m. Representatives Hughes, Nageak, Reinbold, Ortiz, Drummond, Seaton, and Tilton were present at the call to order.

[8:03:03 AM](#)

Committee members introduced themselves and expressed their interest in being a member of the committee.

**OVERVIEW: DEPARTMENT OF COMMERCE, COMMUNITY & ECONOMIC  
DEVELOPMENT**

[8:07:52 AM](#)

CHAIR TILTON announced that the only order of business would be an overview from the Department of Commerce, Community & Economic Development.

[8:08:17 AM](#)

FRED PARADY, Acting Commissioner, Department of Commerce, Community & Economic Development (DCCED), directed attention to a handout entitled "Department Overview for House Community & Regional Affairs." He then turned to page 2 and reviewed the department's organizational chart, which highlights the department's six divisions: Administrative Services; Banking & Securities; Community & Regional Affairs; Corporations, Business & Professional Licensing; Economic Development; and Insurance. The department also includes the following corporate entities: Alaska Energy Authority; Alaska Gasline Development Corporation; Alaska Industrial Development & Export Authority; Alaska Railroad Corporation; Alaska Seafood Marketing Institute; Alcoholic Beverage Control Board; and Regulatory Commission of Alaska (RCA). The latter two, he clarified, are regulatory entities. As illustrated on the pie chart on page 3, 59 percent of DCCED's funding flows through corporations while 41 percent flows through the department's core agencies. The pie chart on page 4 provides a breakdown of DCCED's budget by the department's management plan, core services. Consumer protection accounts for 17 percent, economic growth 29 percent, strong communities 14 percent, and affordable energy 40 percent. He pointed out that half of the affordable energy expenditure is power cost equalization (PCE).

ACTING COMMISSIONER PARADY then directed the committee's focus to page 5 and the Division of Banking and Securities, the purpose of which is to regulate financial markets and protect consumers of financial services while promoting safe and sound financial systems. The Division of Banking and Securities has a budget of about \$3.6 million, but collected \$13.4 million in fees and assessments. Therefore, the division is a net generator of revenue to the general fund. In the last year, the key accomplishments of the Division of Banking and Securities were to develop electronic filing for certain securities and joining the electronic filing depository national filing system, which is a clearing house that improves efficiencies for banking businesses. The division is also developing new financial tools. He noted that there is a thread of the marijuana issue that will reside in this division as it deals with the interplay between federal regulations on drug money and a new business climate that will develop in the state.

ACTING COMMISSIONER PARADY moved on to the Division of Insurance, which also generates more in revenue to the general fund than what it costs to run the division. The Division of Insurance generates \$64 million in fees while its budget is \$7.6 million. He then related that there are over 1,100 insurers admitted to conduct business in Alaska; over \$3.4 billion in total premiums written in the last calendar year; and almost 50,000 individual licensed insurance brokers in the state. The division opened and closed 245 complaints, opened 79 and closed 115 investigations, and issued 21 disciplinary orders in fiscal year 2014. He reminded the committee that the Division of Insurance is a consumer protection and regulatory function division.

8:13:10 AM

ACTING COMMISSIONER PARADY turned attention to the Division of Corporations, Business and Professional Licensing, page 7. He explained that at the legislature's directive, the division regulates 43 professions of which behavior analysts, massage therapists, and contractors were added last year. There are 67,000 individual professional licenses and 50,000 business licenses. The Division of Corporations, Business and Professional Licensing has a \$12.4 million budget and returns about \$6.6 million in business license fees to the general fund. He highlighted the importance of the quality of the division's information technology systems and administrative support and the ability to do good data management. The division has increased corporate entities in good standing from 60 to 93

percent and much more data is available online for business license renewals, professional licensing, and quarterly reports. He pointed out that a key component of professional licensing is that the legislature mandates that each profession be self-supporting. Therefore, how indirect costs are allocated and how the individual solvency of each of the 43 different licensing categories is maintained is a balancing act. He highlighted that the Legislative Budget and Audit Committee has performed considerable work on the aforementioned topic in the last year. He then noted that the division has bar-coded all of the professional license renewal applications, which has decreased the receipt timelines from three weeks to three days. Furthermore, the division has improved its efficiency in investigative caseloads as the open-to-close time has been shortened by over 50 percent. Acting Commissioner Parady commented that the division has a particularly effective leader.

ACTING COMMISSIONER PARADY continued his overview with the Alcoholic Beverage Control Board, page 8, which transitioned to DCCED in FY 2013. The aforementioned was a source of considerable discussion across the state with regard to whether alcohol control belongs in a public safety or health context or in DCCED. Acting Commissioner Parady opined that Cynthia Franklin, Director, Alcoholic Beverage Control Board, has managed to balance the fact that alcohol is an industry that needs to be regulated and promoted while doing so responsibly as alcohol carries a host of social issues. He informed the committee that a complete rewrite of Title 4, that balances the aforementioned perspectives, will come before the legislature. He emphasized that DCCED is eager to modernize these statutes and bring them before the legislature.

ACTING COMMISSIONER PARADY then addressed the Regulatory Commission of Alaska (RCA), which has worked diligently to improve their processes. In the past, 10 paper copies of a utility rate filing were required, whereas now no paper copies are required as it's performed online. The ability to file online is being extended to the small rural telephone utilities as well. In fact, that should be achieved within the next 45 days. He informed the committee that many of the administrative components of the PCE Fund are handled through the RCA. The RCA ensures that the utilities meet the filing requirements. He explained that the PCE Fund subsidizes the first 500 kilowatt hours of high cost power to consumers across Alaska. In order to qualify for that funding, the utility has to meet certain criteria, such as minimum line loss.

8:17:47 AM

ACTING COMMISSIONER PARADY moved on to the Division of Economic Development. The new Alaska Maritime Industrial Support Sector analysis assesses the age of Alaska's fishing fleet, status of the state's shipyards, and how the needs of the fleet match those of the shipyards. The aforementioned involves workforce and finance questions. This division has 261 loans that amount to almost \$30 million across 10 loan programs, the heart of which is 237 loans in the Commercial Fishing Revolving Loan Fund. The Commercial Fishing Revolving Loan Fund is solvent and vital to the state's commercial fishing fleet. The division runs the tourism marketing, which generates 800,000 information requests, 220,000 trips, and 700,000 visitors. He noted that the newly established Alaska Tourism Marketing Board had its first meeting in January. Tourism, he emphasized, is a vital industry as it has spread throughout the state. He recalled the birding tourists in Barrow who were interested in seeing the spectacled eider, which is an endangered species. Due to the 28th Alaska State Legislature's House Concurrent Resolution 15 there is a new statewide strategy with the University of Alaska Fairbanks (UAF) regarding unmanned aerial drones. Alaska, he explained, is a proving ground for that technology in terms of commercial applications because the state has air space available. The division is partnering with industry and UAF to support resource development efforts, including the Minerals Commission report on the mining of rare earth minerals in Bokan Mountain. The division also supports manufacturing through the Made in Alaska and Alaska Product Preference programs. He mentioned that there was an exciting Made In Alaska Home Show in Anchorage this past fall during which everything in the home was made in Alaska. The aforementioned was an effort to illustrate to builders how products manufactured in Alaska could be used.

ACTING COMMISSIONER PARADY turned attention to the Alaska Seafood Marketing Institute (ASMI) and noted that fisheries is the number one employer in the state with an export value that is up nearly 85 percent to \$3.2 billion in 10 years. He opined that the Responsible Fisheries Management Initiative is central to the fishing industry. He then informed the committee that an environmental non-governmental organization (NGO) has made an effort to create a sustainable fishery certification. However, that certification has become politicized from both an environmental and international perspective. A Russian pollock fishery was certified as meeting the standard of the environmental NGO, which devalued the Alaska pollock industry. He highlighted that the Responsible Fisheries Management

Initiative was successful in working with Wal-Mart to certify that Alaska's fisheries are sustainably managed and meet the procurement requirement for large corporate distribution chains. He highlighted that ASMI continues to collaborate with Alaska Tourism and Marketing, Alaskan Grown, and Nutritious Alaskan Foods in Schools programs. He also noted that the fishing industry has a voluntary fish tax. Although the voluntary fish tax can reach up to .6 percent of the ex-vessel value, it's currently at .5 percent of the ex-vessel value and generates roughly \$12 million.

[8:22:33 AM](#)

REPRESENTATIVE HUGHES inquired as to what the percentage of the pie chart on the upper-right hand side represents.

ACTING COMMISSIONER PARADY clarified that on page 11, the 29 percent represents the percent of the department's overall budget in the category of economic growth. He informed the committee that 17 percent of the department's budget is in the category of consumer protection.

[8:23:11 AM](#)

ACTING COMMISSIONER PARADAY, returning to his overview, directed attention to the Alaska Industrial Development and Export Authority (AIDEA), page 12, which is a vital organization to the state as it generates a dividend back to the state. The fiscal year 2016 dividend in the amount of \$17.6 million has been approved. The financing that's afforded through AIDEA has leveraged a projected \$700 million in private sector investment. Furthermore, AIDEA is projected to create/retain nearly 1,500 construction jobs and over 1,000 permanent jobs. For example, the first phase of the Mustang Oil Field development field in Prudhoe Bay has been completed and the second phase has recently been approved by the board. Acting Commissioner Parady informed the committee that AIDEA has a financing package that supports a redevelopment in central Anchorage.

ACTING COMMISSIONER PARADAY continued on to page 13 regarding the Alaska Energy Authority (AEA), which is from where the PCE grant payments are disbursed. Nearly \$40 million were disbursed to 188 communities in fiscal year 2014. There is roughly \$900 million in the PCE Endowment Fund and efforts are ongoing to determine whether the management of those funds can be strengthened in order to strengthen the returns and provide support for the program. He pointed out that AEA also handles

the upgrades to rural power systems of which 53 of 114 rural power system upgrades have been completed. There is an Emerging Energy Technology Fund. The board, he indicated, is trying to find the right hybrid power systems that can improve power production in the state's villages. The annual fuel savings from the Renewable Energy Fund is projected to be 20 million gallons of diesel by 2016. There has been an impact, albeit a slow build-up of the utility infrastructure in rural Alaska.

ACTING COMMISSIONER PARADAY then addressed the Alaska Gasline Development Corporation (AGDC), page 14, which is working diligently to align with the administration's new directives while also working to synchronize the timing of the Alaska liquefied natural gas (AKLNG) and the Alaska Stand-Alone Pipeline (ASAP) projects. He recalled the following quote from Dan Fauske, President, AGDC: "Only in Alaska would a \$7 billion pipeline be considered small."

[8:26:18 AM](#)

ACTING COMMISSIONER PARADAY moved on to page 15, which highlights the Division of Community and Regional Affairs (DCRA). He recalled traveling to Hoonah with regard to a legislative grant for the construction of a new dock in Hoonah that will service the tourism industry. Hoonah has changed from a timber and fishing based community to a tourism based community. He recalled his first day on the job when Lawrence Blood, Acting Director, DCRA, showed him Article 10, Section 14, of the Alaska Constitution which is the requirement to support local communities and their capacity. To that end, DCRA provides assistance to over 200 communities and runs the Rural Utility Business Advisor (RUBA) program through which 147 communities were assisted and nearly 200 rural utility managers trained. He emphasized that running a utility in rural Alaska is no small task. The Local Boundary Commission (LBC) approved the incorporation of Edna Bay, Alaska's first new city in 10 years. The DCRA supports local communities by writing election codes and ordinances. He noted that due to a statutorily directed grant new cities receive a \$50,000 payment and then a \$25,000 payment in order to have funds with which to organize. He told the committee that DCRA distributed over \$85 million to 307 communities through revenue sharing and other programs. Cross training of staff is also occurring. Acting Commissioner Parady highlighted the opportunity to break down silos. For example, banking and insurance are merging activities across much of the country. Therefore, the question becomes whether synergies can be achieved by cross training. The heart of breaking down silos

is using Local Government Specialists (LGS), which he characterized as "the tip of the state spear." He noted that there are 6 regional offices and roughly 40 LGS or grant specialists. Therefore, the division had the logistical infrastructure and was able to travel to approximately 130 communities with those specialists. The notion is that the LGS should be able to address DCRA issues, such as utility assistance, LBC, municipal code, and election code, while being aware of the Public Employees' Retirement System (PERS) arrearages and energy projects of the area. Cross training would achieve the aforementioned, he said. Being able to more comprehensively communicate the range of issues across state government allows the LGS to make the most of their visits and break down silos. He noted that the LGS deal with bulk fuel loans and thus there is a linkage with AEA, which deals with bulk fuel projects.

[8:33:00 AM](#)

ACTING COMMISSIONER PARADY continued with page 17 regarding the Community Aid and Accountability Section. He reminded the committee that last year community revenue sharing was reduced from \$60 million to \$52 million for fiscal year 2015. He explained that community revenue sharing has a balance of about \$172 million and on June 30th of each year one-third of the balance of the fund is distributed to communities, which amounted to a total distribution of \$57.3 million. If the community revenue sharing program was zero funded in the coming year, the balance would decrease to \$114.7 million on June 30th and the distribution would decrease to \$38.2 million. Therefore, because the community revenue sharing program has a rolling balance forward, it doesn't immediately zero out but drops significantly. Acting Commissioner Parady pointed out that the Federal Secure Rural Schools program wasn't reauthorized for fiscal year 2015. Although it may be reauthorized, the immediate impact would be the loss of \$12 million in federal funds to 33 municipalities for their schools and roads from the Tongass and Chugach National Forests. The Federal Payment in Lieu of Taxes (PILT) were extended for one year in fiscal year 2015 such that approximately \$28 million will be disbursed across 95 municipalities.

[8:35:07 AM](#)

REPRESENTATIVE REINBOLD asked if the department would support the land transfer rather than the PILT.

ACTING COMMISSIONER PARADY characterized that as a complex question for which he would await direction from his administrative supervisors.

[8:35:47 AM](#)

ACTING COMMISSIONER PARADY directed attention to page 18 regarding the Local Government Assistance/RUBA program, which helps local utilities with QuickBooks, preventative maintenance programs, structure, and to build capacity in order to sustain the reliability of the utility infrastructure. The RUBA collaborated with the Department of Environmental Conservation (DEC) to create a best practices method to assess the technical, managerial, and financial capacity of communities in order to prioritize funding. He highlighted that at the legislature's direction, there are roughly 1,800 grants and \$2 billion in project funding that flow through DCRA's grant division to support various community level services. However, he noted his expectation that those capital funds will be restricted in the coming years. He then pointed out that marijuana is arising as a topic when LGS visits cities and villages. The questions from local governments are in regard to how marijuana businesses will be regulated and used as a revenue source. At this time, marijuana regulations are being developed in the Alcoholic Beverage Control group as there is a cross-departmental task force that is working on the matter. The initiative specifies that nine months are allowed for the promulgation of those regulations. Anyone with local government questions regarding marijuana is referred to the Frequently Asked Questions section of the ABC Board web site. He informed the committee that local government assistance staff work with communities on elections. However, due to a court case there is no longer the need for Department of Justice (DOJ) pre-clearance for changes to election codes or special elections.

ACTING COMMISSIONER PARADY then moved on to page 19 regarding the Local Boundary Commission (LBC), which essentially supervises the process of annexation and petitions to become incorporated. Edna Bay was the first city to incorporate since 2004. Allakaket annexed territory to the city, which enabled residents who had relocated to higher ground after the 1994 flood to once again be city residents. Although the Alaska Superior Court upheld the LBC's 2012 decision approving incorporation of the Petersburg Borough, it's on appeal to the Alaska Supreme Court. He noted that LBC staff traveled to Houston and Big Lake to address questions regarding the

consolidated Big Lake incorporation and Houston annexation petitions.

ACTING COMMISSIONER PARADY continued with the Office of the State Assessor, page 20, and highlighted that Alaska is one of the few states that doesn't require the reporting of sales data for [any] real estate transactions. The state assessor performs full value determinations for cities located within boroughs. The full value determination of a borough as a whole is only used in the required local contribution program. Therefore, one could argue that it's unnecessary to perform a full value determination in individual cities. Discontinuation of that work is being considered because it doesn't tie itself to a state formula or capitalization, but feedback from the public is necessary. He noted that [the Division of Insurance] is considering personal rate filings because the insurance industry is competitive.

[8:41:32 AM](#)

ACTING COMMISSIONER PARADY, continuing his presentation, informed the committee that the Ketchikan Gateway Borough decision will be addressed legislatively as the consequences are germane to education funding. The decision involves the state assessor because of the required local contribution calculation. He then pointed out that the state assessor has been working to decrease travel while maintaining training to local communities by providing the training at regional and state conferences to groups rather than individually.

ACTING COMMISSIONER PARADY concluded his overview with the Planning Section, page 21. He highlighted that the Federal Emergency Management Agency (FEMA) flood studies have been completed for the Kenai Peninsula Borough and City of Cordova, while the studies for Aniak, Bethel, Kwethluk, and Emmonak are forthcoming. Work is also being done to develop natural hazard resiliency plans in Kivalina, Shaktoolik, and Shishmaref. The Planning Section is working with the Department of Military & Veterans' Affairs (DMVA) on an application submitted to FEMA to relocate homes to a new village site in Newtok.

[8:43:09 AM](#)

REPRESENTATIVE NAGEAK requested clarification of the natural hazard resiliency plans.

ACTING COMMISSIONER PARADY deferred to Mr. Blood.

8:43:28 AM

LAWRENCE BLOOD, Acting Director, Division of Community & Regional Affairs, Department of Commerce, Community & Economic Development, explained that the resiliency plans are through the federal Risk Mapping, Assessment, and Planning (MAP) program, the basic objective of which is to do planning to make the next storm less severe. Two planners located in Anchorage are dedicated to these resiliency plans. In further response to Representative Nageak, Mr. Blood opined that there is a broad range of outcomes that might result from one of the resiliency plans, but only the planning is associated with the Risk MAP program. However, that plan can be used to seek funding from other sources to carry out the resiliency activities identified in the plan.

8:45:19 AM

ACTING COMMISSIONER PARADY returned to the overview of the Planning Section of DCCED. He explained that the Municipal Land Trustee (MLT) program is one in which lands are held in trust for the development of a future community. The Planning Section works with tribal governments to establish site control for local infrastructure, such as a landfill. He clarified that site control refers to control of the underlying lease or ownership of the land. Under this program, leases for landfills have been provided to Iliamna, Koliganek, and Takotna to support local efforts to meet DEC permitting requirements. The Planning Section has worked with DMVA on the Galena flood recovery, which has resulted in the elevation of 30 homes at risk of future flooding, with an additional 10 homes scheduled [for elevation]. Acting Commissioner Parady highlighted that there are new photo-based community profile maps for all 11 communities in the Northwest Arctic Borough (NWAB) as well as 22 communities statewide. The maps are overlaid with surveyed plat data, and therefore show general ownership to aid future projects and completion of the Alaska Native Claims Settlement Act (ANCSA) 14(c) settlement applications.

8:47:10 AM

REPRESENTATIVE SEATON referred to page 2 of the overview, and pointed out that Alaska Aerospace is not listed as one of the regulatory agencies.

ACTING COMMISSIONER PARADY related his understanding that Alaska Aerospace resides in the Department of Transportation & Public Facilities (DOT&PF).

[8:47:42 AM](#)

REPRESENTATIVE SEATON recalled Acting Commissioner Parady's comments regarding marijuana and the Division of Banking & Securities. He then inquired as to how state chartered institutions are similar to the Bank of North Dakota being separate from federal [institutions]. He further inquired as to whether it's a mechanism that could be used in Alaska to allow the completion of financial transactions. Would a state credit/debit card be issued from those institutions that would be excluded from the federal prohibitions on federally chartered banks, he asked.

ACTING COMMISSIONER PARADY deferred to the Division of Banking and Securities, which could provide the committee with an answer.

REPRESENTATIVE SEATON requested that the aforementioned be an official request from the chair such that the entire committee receives clarification as to how to handle that portion of the marijuana initiative that could be problematic.

The committee took a brief at ease.

[8:50:19 AM](#)

REPRESENTATIVE SEATON restated his request for the chair to request from DCCED analysis of the banking capabilities of state chartered banks or other financial institutions in terms of whether those financial institutions, such as the Bank of North Dakota, might be exempt from the provisions that do not allow federally chartered banks to handle any marijuana assets or financial transactions. He further asked whether the aforementioned could be expanded to debit or credit cards issued by those institutions.

CHAIR TILTON confirmed she will request the aforementioned.

[8:51:29 AM](#)

CHAIR TILTON mentioned that this committee will review the marijuana issue in terms of how it impacts municipalities in upcoming meetings. In fact, the committee will likely propose

legislation regarding marijuana and how it pertains to municipalities.

[8:52:11 AM](#)

ACTING COMMISSIONER PARADY informed the committee that DCCED has been tracking which municipalities have asked what regarding the marijuana initiative and would be happy to share it with the committee.

[8:52:41 AM](#)

ACTING COMMISSIONER PARADY, in response to Representative Seaton, clarified that there are 67,000 professional licenses and 50,000 business licenses of which the largest group of professional licenses is nursing with about 8,000 licenses. He noted that the Division of Corporations, Business and Professional Licensing doesn't license teachers. He reiterated that the division now regulates 43 professions.

[8:53:48 AM](#)

REPRESENTATIVE SEATON surmised that from the department's view many of the licenses are to promote safety, although licensing has a severe anti-competitive aspect as there isn't open competition since everyone has to go through a board that may not want to expand eligibility of participants. He asked if the department has reviewed whether the more licenses that are created actually restricts the competitiveness of those wishing to provide those services and how that balances with safety.

ACTING COMMISSIONER PARADY answered that the aforementioned hasn't been studied, but has been discussed in the context of whether there are professions that are candidates for deregulation. He identified the aforementioned as a policy question. Upon review of national data, Alaska falls in the middle range in terms of how many professions are regulated, he reported.

[8:55:50 AM](#)

CHAIR TILTON asked if the Division of Economic Development interfaces with the Alaska Energy Authority (AEA).

ACTING COMMISSIONER PARADY responded that although he presumes the two entities do interface, he didn't know and will have to investigate and share the answer with the committee.

8:56:19 AM

REPRESENTATIVE HUGHES expressed interest in how the Alaska Regional Development Organization (ARDORs) interact with local communities and governments.

ACTING COMMISSIONER PARADY offered that the department could provide a briefing on ARDORs.

REPRESENTATIVE HUGHES clarified that her question is in relation to how the ARDORs interact with the local governments, which she opined is important in terms of the earlier mentioned need to break down silos.

8:57:49 AM

REPRESENTATIVE HUGHES recalled that Palmer has set aside a town site in Point MacKenzie, and asked whether the LBC has been involved with this process.

ACTING COMMISSIONER PARADY deferred to Mr. Blood.

MR. BLOOD replied that Point MacKenzie hasn't hit his radar in terms of it being a current activity of the LBC. However, staff has routine contact with communities on various topics and thus it's possible there have been conversations with the LBC that haven't reached the level of submitting a draft petition for review, assistance, or comments. In further response to Representative Hughes, Mr. Blood explained that there is a population threshold in order to become an incorporated community. To become a second class city, at least 25 residents must sign the petition while to become a first class city 400 residents are required.

8:59:35 AM

REPRESENTATIVE SEATON highlighted the difficulty of housing in rural Alaska for those visiting the area, such as those in the education and public safety fields. When visitors have to stay in the local school gym, it disrupts the entire school. He asked if the department has considered Alaska-made yurts with a composting toilet and a heater that could be accessible for those state government employees and officials who visit to work with the community.

ACTING COMMISSIONER PARADY said he is familiar with the itinerant housing issues in villages, but isn't familiar with housing within the context of DCRA. Therefore, he suggested that perhaps the question would be better directed to the Alaska Housing Finance Corporation (AHFC).

MR. BLOOD said that he has no knowledge of such discussions in the department. As an LGS who has slept on the floors, in the jails, and the tables in the clinics, he said he would love to have a yurt available for housing.

REPRESENTATIVE SEATON offered that across departments there is a need for housing, and thus he encouraged discussion of solutions for housing such as yurts with a composting toilet as well as heat and water access that can be turned off when not in use.

ACTING COMMISSIONER PARADY agreed to discuss the topic during the [department's] breaking silos discussions.

[9:05:02 AM](#)

REPRESENTATIVE HUGHES pointed out that the budget will be an overarching theme of this legislative session. During these lean times, it's a good time for legislators to review how they can address things that could save communities. To that end, she requested feedback from the department with regard to possible statutory changes that could relieve some burden on the communities.

ACTING COMMISSIONER PARADY characterized Representative Hughes request as a wonderful suggestion that would be great as an afternoon work session for the Alaska Municipal League (AML), which he said he will suggest to Kathy Wasserman and departmental LGS.

[9:07:27 AM](#)

#### **ADJOURNMENT**

There being no further business before the committee, the House Community and Regional Affairs Standing Committee meeting was adjourned at 9:07 a.m.