

**ALASKA STATE LEGISLATURE
HOUSE LABOR AND COMMERCE STANDING COMMITTEE**

Anchorage, Alaska

May 1, 2020

3:18 p.m.

MEMBERS PRESENT

Representative Ivy Spohnholz, Chair
Representative Zack Fields (via teleconference)
Representative Sara Hannan (via teleconference)
Representative Andi Story (via teleconference)
Representative Mel Gillis (via teleconference)

MEMBERS ABSENT

Representative Louise Stutes
Representative Sara Rasmussen

OTHER MEMBERS PRESENT

Representative Andy Josephson
Representative Dan Ortiz

COMMITTEE CALENDAR

PRESENTATION(S): COVID-19 PANDEMIC ECONOMIC RESPONSE BY DCCED

- HEARD

PREVIOUS COMMITTEE ACTION

No previous action to record

WITNESS REGISTER

JULIE ANDERSON, Commissioner
Department of Commerce, Community & Economic Development
Anchorage, Alaska

POSITION STATEMENT: Provided a PowerPoint presentation, entitled "COVID-19: DCCED's Response Actions."

JIM ANDERSON, Deputy Director
Division of Economic Development
Department of Commerce, Community & Economic Development
Juneau, Alaska

POSITION STATEMENT: Answered questions during the presentation.

REPRESENTATIVE DAN ORTIZ
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Asked questions during the presentation.

ALAN WEITZNER, Chief Investment Officer
Alaska Industrial Development and Export Authority
Anchorage, Alaska

POSITION STATEMENT: Answered questions during the presentation.

LORI WING-HEIER, Director
Division of Insurance
Department of Commerce, Community & Economic Development
Anchorage, Alaska

POSITION STATEMENT: Testified during the presentation on COVID-19 pandemic economic response by DCCED.

SARA CHAMBERS, Director
Division of Corporations, Businesses and Professional Licensing
Department of Commerce, Community & Economic Development
Juneau, Alaska

POSITION STATEMENT: Testified during the presentation on COVID-19 pandemic economic response by DCCED.

ACTION NARRATIVE

[3:18:32 PM](#)

CHAIR IVY SPOHNHOLZ called the House Labor and Commerce Standing Committee meeting to order at 3:18 p.m. Representatives Fields (via teleconference), Hannan (via teleconference), Story (via teleconference), and Spohnholz were present at the call to order. Representative Gillis (via teleconference) arrived as the meeting was in progress.

PRESENTATION(S): COVID-19 Pandemic Economic Response By DCCED

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[3:21:38 PM](#)

CHAIR SPOHNHOLZ announced that the only order of business would be a presentation on the economic response to COVID-19 by Department of Commerce, Community & Economic Development (DCCED), beginning with Commissioner Anderson.

[3:23:13 PM](#)

JULIE ANDERSON, Commissioner, DCCED, provided a PowerPoint presentation, entitled "COVID-19: DCCED's Response Actions." As background information, she reminded the committee that the governor declared the public health disaster emergency declaration for COVID-19 on March 11, 2020 and initiated a unified command structure between the Department of Health and Social Services (DHSS), Department of Military & Veterans' Affairs (DMVA), and the Department of Public Safety (DPS). The governor fully engaged state departments to utilize all capabilities to ensure a swift and effective COVID-19 response. She reported that the Department of Commerce, Community & Economic Development (DCCED) began fully participating with unified command and providing assistance where needed. She reported that when the pandemic first became a real concern for the state, the Commissioner's Office, DCCED, compiled and submitted the disaster declaration request to the U.S. Small Business Administration (SBA) on behalf of the governor.

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The committee took a brief at-ease.

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COMMISSIONER ANDERSON, continuing her presentation, said the SBA approved the request, opening the Economic Injury Disaster Loan program (EIDL) to Alaskan businesses. She noted that the department has worked alongside the SBA since the disaster declaration to stay on top of loan opportunities and current statistics for existing programs, such as the Paycheck Protection Program (PPP) and the EIDL. She continued to state that the Commissioner's Office has been working to communicate the different funding options available to local business and tracking how different communities and industries are doing throughout the pandemic. Additionally, they have been in consistent communication with mayors, city and borough managers, businesses, industries, and other state departments. She added that her team is working with various agencies and other states to develop helpful programs for resident small businesses. The Commissioner's Office is also working with state and federal partners on coordination for Economic Mitigation and Recovery programs, as well as funds. She noted that her assistant commissioner, Amy Demboski, was assigned to work directly with unified command on issues regarding health mandates, including aiding in the developing the framework process for critical infrastructure business quarantine protocol plans. She said Ms. Demboski has been diligent in ensuring that the department's

divisions have a direct line to unified command. She further noted that the DCCED Public Information Officer (PIO) is part of the unified command PIO team, which ensures that all departments are in alignment on messaging. The PIO's focus, she said, has been to promote alternative ways to support businesses through this pandemic while complying with health mandates. She relayed that the Commissioner's Office is compiling hundreds of [questions] via phone and email relating to business, health mandates, and travel restrictions in an ongoing effort to respond to the public, business, and industry representatives seven days a week. She emphasized that her team is taking their role of serving the public seriously and making every effort to be responsive and timely in all inquiries coming into the office.

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COMMISSIONER ANDERSON prefaced slide 3, titled "DCCED & SBA," by noting that the first round of COVID-19 appropriated funding for the U.S. SBA's PPP and EIDL has run out; however, the PPP began accepting new applications this week for an additional round of funding. She reported that as of April 16, 2020, 4,842 Alaskan businesses received funds from the PPP and 1,609 businesses received EIDL advances. She said the department has been communicating with lending institutions and small businesses to ensure that people are utilizing these tools to get funds into Alaskans' hands as quickly as possible.

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COMMISSIONER ANDERSON continued to slide 4, titled "DCCED's ERRB Website," and explained that the Alaska Development Team created the COVID-19 Economic Recovery Resources for Business (ERRB) portal. The website assembles information about resources at the state and federal level to help Alaskan businesses deal with the effects of the pandemic and is updated as new tools become available. The ERRB portal includes information on the different programs available through the U.S. SBA; the Division of Economic Development-Investments (DED-INV), DCCED; and the Alaskan Business Development and Export Authority. Additionally, it includes latest news, contact information for economic development organizations around the state, and links to additional resources. She stated that the intent was to make the portal a "one-stop shop" for individuals and businesses in Alaska by providing them with information on how to access the tools to help them with their economic recovery.

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COMMISSIONER ANDERSON turned attention to slide 5, titled "Division of Economic Development-Investments." She conveyed that the DED-INV administers and services ten revolving loan funds for DCCED, which allowed the department to offer immediate relief funding for businesses when the pandemic hit. Three of the ten loan funds are specifically designed to work with small and micro businesses and can be made for working capital: The Small Business Economic Development Loan Fund (SBED), the Rural Development Initiative Fund, and the Alaska Microloan Fund. She relayed that the DED-INV has been working with the U.S. Economic Development Administration (EDA) to obtain \$5 million in grants to recapitalize the SBED. She noted that Alaska Industrial Development and Export Authority (AIDEA) has agreed to provide a \$1 million match for this grant. She continued to explain that the DED-INV also administers the Commercial Fishing Loan Program, which is designed to assist fisheries and commercial fishing operations across the state. The division's staff has been fielding a large number of inquiries from Alaskans and has been providing information about the DED-INV's programs, as well as the PPP, the SBA loan programs, general economic development council programs, and the AIDEA program.

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REPRESENTATIVE HANNAN questioned whether DED-INV will give current loan holders any forbearance on payments owed and what kind of communications should be expected from the department.

COMMISSIONER ANDERSON deferred to Jim Anderson

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JIM ANDERSON, Deputy Director, Division of Economic Development, Department of Commerce, Community & Economic Development, encouraged Representative Hannan's constituents to contact him directly to work on a loan restructure that can get them through this time. He noted that the Division of Economic Development is currently working with hundreds of Alaskans who have the same concerns.

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REPRESENTATIVE HANNAN sought to clarify whether her constituents should contact Mr. Anderson to discuss a loan extension or forbearance on their loans. She asked if that is correct.

MR. ANDERSON confirmed that. He explained that each situation is different, adding that the goal is to restructure the loan to offer the best chance of success. He said the division is finding that if a business is seasonal, the loan can be restructured to where payment is not due until after another full season of business is completed. He added that any cost or fees associated with restructuring loans has been waved and encouraged loan holders to contact the division.

REPRESENTATIVE HANNAN asked how people can contact the Division of Economic Development.

MR. ANDERSON shared the following phone number: 1-800-478-5626. He instructed callers to ask for a loan officer.

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CHAIR SPOHNHOLZ asked for the current number of loans and loan officers.

MR. ANDERSON said they are administering 2,000 loans and have seven loan officers on staff. He noted that they are in the process of hiring three new officers.

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REPRESENTATIVE STORY asked for the typical wait time that callers should expect.

MR. ANDERSON reported that the wait time is a matter of minutes before they get a return call. He said people have been experiencing 15 minutes at the most. He further noted that if an applicant submits all the required information, the request will generally be processed in 14-21 days or sooner, depending on how responsive he or she is.

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CHAIR SPOHNHOLZ asked if the Division of Economic Development administers the Commercial Fishing Loan Program.

MR. ANDERSON answered yes.

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REPRESENTATIVE DAN ORTIZ, Alaska State Legislature, asked if DCCED would be involved in distributing the \$100 million that is slated for Alaska's fishing industry relief.

MR. ANDERSON deferred to Commissioner Anderson.

COMMISSIONER ANDERSON said the method of distribution for the economic stimulus for Alaskan fisheries is currently under discussion. She offered her belief that an initial idea was to administer the funding through "the Northwest marine fisheries commission; however, the department is advocating for the state to distribute the funds. She offered to follow up with a more "up-to-date" answer to the requested information.

[3:43:19 PM](#)

COMMISSIONER ANDERSON resumed her presentation on slide 6, titled "AIDEA's AK SAFE Program," which read as follows [original punctuation provided]:

On March 27th, the AIDEA Board created the Sustaining Alaska's Future Economy Guaranty Program (AK SAFE):

- In collaboration with Alaska's banks and financial institutions, AIDEA will provide a loan guarantee of up to \$1M per borrower.
- The objective of the program is to enable Alaska's banks and financial institutions to immediately provide additional capital to Alaska businesses through their existing relationships as they continue to manage terms.
- The proceeds of any loans guaranteed under this program may be used for any working capital purposes.
- All Alaskan-based businesses impacted by the COVID-19 disaster with an existing secured loan agreement are eligible.
- Businesses will be able to apply for AK SAFE guaranty by first speaking with their lending institution.

COMMISSIONER ANDERSON added that in addition to AK SAFE, the AIDEA board established the Emergency Loan Guarantee Program, which provides emergency loans to qualified businesses and nonprofit organizations. The program is intended to complement

federal emergency loan programs, such as the PPP and EIDL. She further explained that the AIDEA board also adopted temporary emergency regulations to enable [indisc.] provide direct relief to Alaskan businesses suffering the economic effects of the COVID-19 pandemic.

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CHAIR SPOHNHOLZ pointed out that there is \$290 million in small business relief coming from the federal government courtesy of the CARES Act. She recounted the sentiment that loans are not an ideal solution to some of the financial problems that many small businesses are facing, because they won't be able to pay back those loans with uncertain revenue for some time into the future. She asked if DCCED is considering grants for small businesses.

COMMISSIONER ANDERSON explained that when the department began designing programs to meet the needs of individuals and businesses that could not access the SBA loan programs, they were operating under former federal guidelines. However, she said that under current federal guidance the department is looking at incorporating a forgiveness clause into the emergency loan program to allow for a significant amount of the loans could be forgiven - ultimately operating like a grant. She acknowledged that they understand the needs of businesses in Alaska, especially in rural Alaska where people are having an extremely difficult time. Ultimately, she said, their goal is to implement a program that can provide a combination of both loans and grants.

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CHAIR SPOHNHOLZ asked when the loan provisions would be updated to include a forgiveness clause. She recommended getting it established expeditiously and distributing the information widely so people in the small business community understand their options.

COMMISSIONER ANDERSON agreed. She deferred to Alan Weitzner.

[3:48:01 PM](#)

ALAN WEITZNER, Chief Investment Officer, Alaska Industrial Development and Export Authority, explained that AIDEA is working with Commissioner Anderson to issue a request for proposals from Alaska's financial institutions on ways of

implementing a direct lending program. He noted that they are currently trying to determine the specific terms. He reported that they anticipate implementing a program with the aforementioned changes and announcing it to Alaskan businesses within the next two weeks.

CHAIR SPOHNHOLZ applauded that and asked which organizations AIDEA has been working with to gather input on the development of that process.

MR. WEITZNER stated that AIDEA has been specifically communicating with national institutions as a primary vehicle to understand the current demand, needs, and requirements. He said they have also been speaking directly with over 100 Alaskan businesses to understand their specific requirements through the AK SAFE program. He pointed out that the results of the new program have come from identifying issues that are not being addressed for Alaska's businesses - specifically, the seasonality of those businesses.

[3:50:07 PM](#)

CHAIR SPOHNHOLZ asked if they have been working with local economic development organizations.

MR. WEITZNER said they have been working with DCCED and Jim Anderson with the small business and economic development loan program; however, they have not been in direct contact with the community economic development councils.

COMMISSIONER ANDERSON noted that her team, through the Alaska development team, is in contact with the economic development organizations. Additionally, they worked closely with the small business development center, as well as many other organizations throughout the state. She reiterated that people in Alaska are in dire need. She offered her belief that the program will go a long way in helping Alaskans. She added that the program will have a "rural set-aside" to ensure that disadvantaged people in rural Alaska can access [indisc.] the funding without being in competition with people who have sophisticated telecommunication systems. She said their goal is for the funds to reach all of Alaska and all sectors.

[3:52:52 PM](#)

REPRESENTATIVE FIELDS surmised that the department is channeling \$750,000 in grants through Alaska Regional Development

Organizations (ARDORs). He said it seems illogical that the department is effectively standing up another forgivable loan program, which is similar to the PPP. He offered his belief that the difference between the two is the lag time associated with designing a new program and a degree of uncertainty about the competitiveness of the rates that the program will be able to offer. He questioned the advantage of focusing on a loan program with questionable forgiveness when the department has clear legislative authority to issue grants.

COMMISSIONER ANDERSON maintained that they are working under new federal guidance to design the emergency loan program to meet those needs. She said it's difficult to responsibly direct the funds to viable entities that will use the funds as they were intended to offset COVID-19 expenses. She stated that by utilizing a program that was already under development and adding provisions to effectively forgive the loan based on specific criteria, it will essentially be "a granting avenue" that the department can use to quickly distribute funds to all areas of the state in a responsible manner. She offered her belief that the recently appropriated \$750,000 is an excellent idea. She added that it will be helpful to work with ARDORs within the community to help people prepare for the loans.

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REPRESENTATIVE FIELDS noted that \$750,000 is tiny sum of money. He reiterated that setting up a new program that is structurally similar to a federal program does not make sense. He opined that it will not be faster than using existing legislative authority that was designed to {indisc.] the CARES Act funding. He reported hearing from many small businesses that have had a hard time working with their financial institutions to tap the PPP. He suspected that they would have a similar problem accessing state funds. Furthermore, he reported that Northrim Bank is the only bank that is helping people who don't have existing loans. He suggested that this gets back to the inherent limitations of loans. He said, "forgivable loans are great, but they aren't a panacea."

COMMISSIONER ANDERSON said she shares the same concerns. She noted that Mr. Weitzner is addressing them by sending a request for proposals to all financial institutions within the state of Alaska - both banks and credit unions. She explained that they are in the process of reviewing the proposals now, with a specific focus on a quick and timely application process so

Alaskans can swiftly access the funds. She said they will have more information to provide on that program next week.

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REPRESENTATIVE FIELDS observed that of the \$300 million allotted to DCCED in the RPL, between \$150-250 million is allocated to AIDEA for the emergency loan guarantee program. He inquired as to how the rest of the funds would be used.

COMMISSIONER ANDERSON offered her understanding that \$750,000 would go from DCCED to ARDORS and the remaining funds would be allocated to different programs within AIDEA and DED-INV. She added that they intend on utilizing the most effective vehicle to distribute the funds quickly and at the lowest possible cost. She said their goal is to "beat what the SBA had in their cost structure."

[4:01:50 PM](#)

REPRESENTATIVE HANNAN asked if AIDEA has contemplated a specific segment of Alaska's business economy - the cannabis industry - that cannot utilize Alaska's financial institutions because of banking laws.

MR. WEITZNER said the RFP asked respondents to disclose their ability to address the cannabis industry for loan support. He explained that they will have a more informed answer once all the responses have been evaluated. He offered his belief that this issue may need to be tackled through another program that directly addresses the cannabis industry.

[4:03:44 PM](#)

CHAIR SPOHNHOLZ questioned whether the RFP process for the AK SAFE program will allow for multiple lenders to participate in the program.

MR. WEITZNER stated that ultimately, the goal is to have one or more financial institutions involved; however, it comes down to providing funding to Alaska's businesses and nonprofit organizations at the lowest cost. He said the top priority is to ensure that the specific program operator would provide full access to the entire state. Another condition, he said, is to identify subsectors for specific rural community involvement to grant them equal access.

[4:05:42 PM](#)

CHAIR SPOHNHOLZ asked for the plan to distribute the ARDORS fund.

COMMISSIONER ANDERSON said she does not know.

CHAIR SPOHNHOLZ echoed Representative Fields' sentiments about the \$750,000 allocation. She said that amount of money will not go very far. She urged the involvement of business experts in each community. She further clarified that the governor makes budget requests while the legislature is responsible for appropriations.

[4:06:51 PM](#)

REPRESENTATIVE STORY asked for the number of loan requests that could not be fulfilled.

COMMISSIONER ANDERSON said that data is not available. She noted that the Division of Insurance, DCCED, can help people get access to working capital.

REPRESENTATIVE STORY asked why loan applications are being denied.

COMMISSIONER ANDERSON said she does not know. She offered to follow up on the requested information.

REPRESENTATIVE STORY questioned whether the list of people who were successful in receiving loans could be produced. She asked if that is confidential.

[4:12:16 PM](#)

COMMISSIONER ANDERSON said she cannot access data from the SBA programs; however, she could follow up with information from the loan programs administered by her department.

[4:12:41 PM](#)

REPRESENTATIVE STORY asked if the department could follow up with a list of people who are awarded the AIDEA grants.

CHAIR SPOHNHOLZ in response to Representative Story, said it sounds like the commissioner will have to speak with the Department of Law about the legality of sharing names. She

pointed out that there could be issues of confidentiality associated with publicly sharing business loans. She added that it would be interesting to know how many loans were allocated, the total value of those loans, and in what communities they were distributed.

COMMISSIONER ANDERSON said those statistics would be provided as part of the RFP process.

[4:14:10 PM](#)

LORI WING-HEIER, Director, Division of Insurance, Department of Commerce, Community & Economic Development, resumed the presentation on slide 7, titled "Division of Insurance." She stated that the Division of Insurance proactively provided guidance to insurers and reduced auto and other insurance costs for consumers by instituting measures, such as waving cost-sharing for respiratory illness diagnostic testing; liberalizing telehealth benefits to allow for unprecedented flexibilities; prohibiting cancellation of insurance contracts due to nonpayment until June 1, 2020; suspending deadlines for claim filings or appeals by insurers; and directing property and casualty insurers to adjust premiums due to reduced exposure or risk profiles during the pandemic. Furthermore, the division worked with insurers to keep employees on employee benefits plans regardless of the hours that they work in the wake of layoffs. The Division of Insurance also waived preauthorization and retrospective audits for health care providers to allow them to concentrate on treating patients. Additionally, she explained that CMS awarded the division more money than they anticipated for the reinsurance program. She said the extra money was put into both the 2020 and 2021 program to ensure that members would not bear the cost of a large number of COVID-19 claims the following year. She further noted that the division's website provides information on what each carrier is doing in respect to COVID-19, as well as frequently asked questions and information on specific insurance coverage that could be useful during this pandemic. She expressed her hope that people would return to work and that these measures won't be necessary in the future.

[4:19:04 PM](#)

REPRESENTATIVE JOSEPHSON sought clarification on how to interpret the Treasury Secretary's guidance regarding medical expenses. He questioned whether the state could use money from

the CARES Act funding to pay the medical bill of a patient who lost his or her insurance due to layoffs.

MS. WING-HEIER offered her understanding that CMS and the Trump administration said that costs for the uninsured would be covered; however, it's not clear whether the claims would be paid for by the CARES Act or another funding mechanism.

[4:21:04 PM](#)

CHAIR SPOHNHOLZ sought further clarification on the differing rates for telehealth.

MS. WING-HEIER pointed out that primary care physicians who, due to COVID-19, have been forced to use telehealth to practice from home, still have overhead and staffing costs. She explained that the Division of Insurance considered paying them a higher rate than normal telehealth providers. She said their goal was to stabilize their balance sheet and allow them to come back with their full staff, equipment, and clinics going forward.

CHAIR SPOHNHOLZ noted that Alaskan health care providers that have been reticent of using telehealth in the past have transitioned into that mechanism of care delivery under the current circumstances. She expressed her appreciation for the flexibility that has allowed those providers to bill at higher rates, as they still have to pay for nurses and administrative personnel. She asked if there has been any discussion with the Trump administration or Alaska's congressional delegation about the Employee Retirement Income Security Act (ERISA) plans in the state of Alaska that do not cover telehealth.

COMMISSIONER ANDERSON acknowledged that members of trusts have called the division to ask why their benefits are not as broad as either the insured market or Alaska Care. Nonetheless, she said she has not discussed that matter with either the Trump administration or the congressional delegation. She

CHAIR SPOHNHOLZ recounted communications from Alaskans who have had trouble getting coverage for their telehealth visits. She encouraged addressing that issue with the Trump administration and the state's congressional delegation.

[4:25:00 PM](#)

SARA CHAMBERS, Director, Division of Corporations, Businesses and Professional Licensing, Department of Commerce, Community &

Economic Development, resumed the presentation on slide 8, titled "Division of Corporations, Business, and Professional Licensing." She proceeded to address the actions taken by the Division of Corporations, Business, and Professional Licensing (CBPL), including suspending fees for new and renewing business licenses; allowing payment plans for professional licenses; launching more online applications for health care professionals; collecting COVID-19 health mandate violation complaints for Unified Command; and establishing the CBPL COVID-19 webpage, which includes guidance produced by the division and its boards. The CBPL also issued three emergency orders, one of which extends the renewal deadline for certified nurse aids to July 2020. The two additional emergency orders established a payment extension for all consent agreements that were in good standing and extended the life of nursing home administrator provisional licenses.

[4:30:13 PM](#)

REPRESENTATIVE HANNAN sought clarification the type of health mandate violation complaints that the division is addressing. She also asked for the volume of complaints that have been received.

MS. CHAMBERS stated that the CBPL offered to be a collection point for all public complaints. She explained that the division's professional investigators handle any confidential information and that they are screening for information that falls within Title 8 [Business and Professions], which would be within the division's jurisdiction. She explained that every complaint is entered into a spreadsheet, which is then triaged by the Department of Law. She reported that in the last few weeks they have received over one thousand complaints.

[4:32:10 PM](#)

CHAIR SPOHNHOLZ said she expects the number of complaints to dramatically increase as businesses reopen in the coming weeks. She asked what the Department of Law plans to do in terms of enforcing the health mandates.

MS. CHAMBERS replied that would be an excellent question for the Department of Law to explain how they are prioritizing public health and safety issues from those that are nonessential. She explained that the division's primary focus is educating their licensees about the laws, as mandates are being updated in correspondence with CDC guidelines.

[4:34:29 PM](#)

MS. CHAMBERS directed attention to slide 9, titled "CBPL Professional Licensing Boards," which read as follows [original punctuation provided]:

- **The health care boards'** chairs meet weekly to discuss COVID-19 matters and the Health Mandates.
- **The Board of Pharmacy** extended the renewal deadline from June to September; and adopted emergency regulations expanding the tasks of a pharmacy tech, decreasing unnecessary administrative requirements, streamlining application and renewal requirements, expanding shared pharmacy services functions, allowing for temporary relocations, and allowing for the distribution of sufficient medication to avoid patients making multiple trips to the pharmacy.
- **The Board of Nursing** adopted emergency regulations allowing successful LPNs, RNs, or APRNs to apply for a courtesy license; and waived fees for temporary permits and emergency courtesy licenses.
- **The State Medical Board** created new regulations on emergency courtesy licenses to waive the collaborative plan agreement requirements for physician assistants.
- Many boards are altering continuing education requirements for this year.

MS. CHAMBERS concluded by stating that the actions of the CBPL are efforts to ensure that Alaskan professionals can maintain their licenses and continue working through the pandemic, as well as to ensure that health care services are available across the state.

[4:41:13 PM](#)

COMMISSIONER ANDERSON continued to slide 10, titled 'Division of Community and Regional Affairs," which read as follows [original punctuation provided]:

Actions by the DCRA Division:

- Created the COVID-19 Resources for Communities website.
- Actively participating in weekly teleconferences with the Alaska Regional Development Organizations (ARDORs) regarding the economic impact across the state.
- Division staff have spoken directly with many Alaskan communities and local governments about COVID-19 management, emergency regulations, and concerns about availability of supplies.
- Division is working with communities to ensure they are ready to receive the CARES act funds.
- Working with FEMA on their established COVID-19 Interagency Federal Partners Task Force.

COMMISSIONER ANDERSON noted that the DCRA's local government specialist team has provided the DHSS resource request process for COVID-19 response to many rural communities and also asked the Alaska Native Tribal Health Consortium for information about where they can request supplies for quarantine facilities in their areas.

[4:44:09 PM](#)

COMMISSIONER ANDERSON continued to slide 11, titled "Division of Banking and Securities." She stated that the Division of Banking and Securities, DCCED, acted quickly to ensure that banks and credit unions could roll out the PPP and EIDL funds to Alaskan businesses as efficiently as possible. She relayed that reporting deadlines were extended and the requirement to obtain a branch license was waived for mortgage loan originators working from home. Additionally, key information for mortgage loan originators, extensions, on deadlines, and more was made available on the division's website. She turned attention to slide 12, titled "Alcohol and Marijuana Control Office," which read as follows:

Actions taken by the ABC and MCB

- The Alcoholic Beverage Control Board (ABC) has allowed curbside and home delivery of alcoholic beverages in certain circumstances.

- The Marijuana Control Board (MCB) has allowed for curbside delivery of marijuana products.
- The ABC passed a motion to allow distillers to produce ethanol alcohol for use in hand sanitizers.
- The ABC and MCB have extended TAPS/Alcohol Server Cards and Marijuana Handler Permits.

[4:47:02 PM](#)

COMMISSIONER ANDERSON continued to slide 13, titled "Looking Forward." She said in these uncertain times, predicting what the future weeks and months will bring and what actions are necessary for DCCED is difficult. She added that her team is prepared to launch into action in whatever direction is necessary to best support Alaskan businesses and the economy. Currently, she said, the department's future plans include continuing to work closely with state and federal partners in many areas, such as the coordination for economic mitigation and recovery programs and funds and the development and implementation of programs to help residents, small businesses, and industries. The department will also continue to communicate with Alaska's communities and community leaders, mayors, city and borough managers, other state departments, and unified command. Furthermore, DCCED will continue to search for additional funding assistance programs that could be made available to Alaskan businesses.

[4:50:54 PM](#)

CHAIR SPOHNHOLZ encouraged the department to consider grants as well as expediting loans to small businesses. She said small businesses across Alaska need to be held as close to economically harmless as possible given the generous provisions of the federal CARES Act. She offered her belief that keeping small businesses in business despite COVID-19 would keep the economy strong. She reiterated that in this devastating time, Alaska should be smart, efficient, and wise with its resources and preserving the state's economic diversity. She noted that DCCED's licensees and small business owners are essentially frontline workers in preventing the spread of COVID-19. She said supporting and advising them as they work to safely reopen Alaska's economy is important. She suggested providing training and additional resources to businesses and licensees about health mandates and methods to be part of the solution, possible

in partnership with the Department of Health and Social Services (DHSS), to harness the power of Alaskans.

4:54:43 PM

ADJOURNMENT

There being no further business before the committee, the House Labor and Commerce Standing Committee meeting was adjourned at [4:54] p.m.