

CS FOR HOUSE BILL NO. 30(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FOURTH LEGISLATURE - FIRST SESSION

BY THE HOUSE STATE AFFAIRS COMMITTEE

Offered: 3/12/25

Referred: Labor and Commerce, Finance

Sponsor(s): REPRESENTATIVES HOLLAND, Foster

A BILL

FOR AN ACT ENTITLED

1 **"An Act establishing the office of entrepreneurship; relating to new businesses in the**
2 **state; and relating to reports concerning procurements by agencies."**

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 *** Section 1.** AS 36.30.540 is amended to read:

5 **Sec. 36.30.540. Procurement report.** The commissioner shall biennially
6 prepare a report concerning procurements by agencies and notify the legislature that
7 the report is available. The report must include

8 (1) the records maintained by the commissioner under AS 36.30.510
9 and the records maintained under AS 36.30.520(a) for the previous two fiscal years;

10 (2) a list of procurements made under this chapter from out-of-state
11 sources during the previous two fiscal years, together with the total number of
12 procurement contracts entered into during that period with out-of-state contractors and
13 the total value of these contracts; this paragraph does not apply to procurements made
14 under AS 36.30.320; and

1 (3) a list of procurements made under this chapter from state sources
 2 during the previous two fiscal years, together with the total number of procurement
 3 contracts entered into during that period with state contractors and the total value of
 4 these contracts; this paragraph does not apply to procurements made under
 5 AS 36.30.320;

6 **(4) the total number of procurement contracts entered into during**
 7 **the previous two fiscal years with new businesses in the state, the total value of**
 8 **these contracts, and details on the demographic and geographic areas of these**
 9 **businesses;**

10 **(5) the percentage of the total number and total value of**
 11 **procurement contracts entered into in the previous two fiscal years that were**
 12 **entered into with new businesses in the state; and**

13 **(6) recommendations on improving access to procurement**
 14 **contracts for new businesses in the state, including details on new businesses in**
 15 **the state in statistically underrepresented demographic segments and geographic**
 16 **areas of the state.**

17 * **Sec. 2.** AS 36.30.540 is amended by adding a new subsection to read:

18 (b) In this section, "new business in the state" has the meaning given in
 19 AS 44.33.859.

20 * **Sec. 3.** AS 44.33 is amended by adding new sections to read:

21 **Article 13A. Entrepreneurship.**

22 **Sec. 44.33.850. Office of entrepreneurship.** The office of entrepreneurship is
 23 created in the Department of Commerce, Community, and Economic Development.

24 **Sec. 44.33.853. Duties.** (a) The office shall

25 (1) promote innovation-based economic development, business
 26 development, and the creation of jobs in emerging sectors;

27 (2) provide a new business in the state with information on available
 28 resources and state services and the laws relevant to starting a new business;

29 (3) facilitate engagement between the state and a new business in the
 30 state to increase the use of goods and services from state sources; and

31 (4) in coordination with community entrepreneurship programs,

1 economic development organizations, local government agencies, military
 2 installations, regional development organizations, small business development centers,
 3 and the University of Alaska's innovation and technology transfer programs,

4 (A) identify and address the needs of a new business in the
 5 state;

6 (B) facilitate communication to enhance the range and quality
 7 of services of a new business in the state;

8 (C) streamline the delivery of services of a new business in the
 9 state; and

10 (D) share data and information with a new business in the state.

11 (b) If requested by a borough, city, or municipality, the office shall assist in
 12 the development and training of a business ecosystem liaison position in the borough,
 13 city, or municipality for the purpose of improving the delivery of services of a small
 14 business in the state and interactions among small businesses in the state, other
 15 businesses, and the state.

16 (c) In this section,

17 (1) "military installation" has the meaning given in AS 14.03.080(g);

18 (2) "regional development organization" means a nonprofit
 19 organization or nonprofit corporation formed to encourage economic development
 20 within a particular region of the state that includes the entire area of each municipality
 21 within that region and that has a board of directors that represents the region's
 22 economic, political, and social interests.

23 **Sec. 44.33.855. Annual report.** On or before January 1 of each year, the office
 24 shall prepare a report detailing legislation enacted in the previous year that supports,
 25 hinders, or otherwise affects new businesses in the state. The office shall submit the
 26 report to the senate secretary and the chief clerk of the house of representatives and
 27 notify the legislature that the report is available.

28 **Sec. 44.33.857. New state business development.** (a) Subject to
 29 appropriation, each fiscal year, state agencies shall collectively expend an amount
 30 equal to five percent of the total amount appropriated for economic development
 31 programs related to business growth or diversification in emerging sectors in a fiscal

1 year for the support and expansion of organizations or programs that provide services
2 to new businesses in the state.

3 (b) A state agency shall notify the office of the expenditure of funds under this
4 section. The notification must include the amount of the expenditure and identify the
5 organization or program that received the funds.

6 **Sec. 44.33.859. Definitions.** In AS 44.33.850 - 44.33.859,

7 (1) "new business in the state" means a business that qualifies as an
8 Alaska bidder as defined in AS 36.30.990 and has been in operation for less than five
9 years;

10 (2) "office" means the office of entrepreneurship;

11 (3) "state agency" means a department, institution, board, commission,
12 division, authority, public corporation, committee, or other administrative unit of the
13 executive branch of state government.