

HOUSE BILL NO. 34

IN THE LEGISLATURE OF THE STATE OF ALASKA
THIRTY-FOURTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVE HOLLAND

Introduced: 1/22/25

Referred: Labor and Commerce, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act establishing the Alaska Innovation Council; and relating to financial**
2 **disclosures for members of the Alaska Innovation Council."**

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

4 *** Section 1.** AS 39.50.200(b) is amended by adding a new paragraph to read:

5 (65) the Alaska Innovation Council (AS 44.33.850).

6 *** Sec. 2.** AS 44.33 is amended by adding new sections to read:

7 **Article 13A. Alaska Innovation Council.**

8 **Sec. 44.33.850. Alaska Innovation Council.** (a) The Alaska Innovation
9 Council is established in the Department of Commerce, Community, and Economic
10 Development.

11 (b) The council consists of 19 members as follows:

12 (1) the governor or the governor's designee, who shall serve as chair;

13 (2) the commissioner of commerce, community, and economic
14 development or the commissioner's designee;

- 1 (3) the commissioner of revenue or the commissioner's designee;
- 2 (4) the executive director of the Alaska Permanent Fund Corporation
3 or the executive director's designee;
- 4 (5) the executive director of the University of Alaska's Business
5 Enterprise Institute or the executive director's designee;
- 6 (6) the executive director of the Alaska Commission on Postsecondary
7 Education or the executive director's designee;
- 8 (7) the executive director of the Alaska Industrial Development and
9 Export Authority or the executive director's designee;
- 10 (8) five members appointed by the governor who are experienced
11 entrepreneurs, experienced investors, engaged in traded sector industry operations in
12 the state, or engaged in a growth business in the state; the members appointed under
13 this paragraph must include
- 14 (A) one member who is experienced in community startup
15 ecosystem building and new venture creation initiatives with a rural focus;
- 16 (B) one member who is experienced in community startup
17 ecosystem building and new venture creation initiatives with an urban focus;
- 18 (C) one member who is experienced and active in angel
19 investing;
- 20 (D) one member who has founded a startup business that was
21 in an emerging sector or that used a new technology or business model; and
- 22 (E) one member who works for or is associated with a startup
23 business that is affiliated with an Alaska Native corporation or tribal
24 government;
- 25 (9) two members appointed by the governor who represent higher
26 education in the state; the members appointed under this paragraph must include one
27 member who is experienced in higher education research, technology transfer, and
28 economic development and one member who is experienced in teaching and student
29 entrepreneurship;
- 30 (10) one member appointed by the governor who represents a regional
31 development organization in the state;

1 (11) two members of the house of representatives appointed by the
2 speaker of the house of representatives; and

3 (12) two members of the senate appointed by the president of the
4 senate.

5 (c) The members of the council appointed under (b)(8) - (12) of this section
6 serve staggered three-year terms. An appointed member serves at the pleasure of the
7 appointing authority. An appointed member is eligible for reappointment for two
8 additional terms. If there is a vacancy for any cause, the appointing authority shall
9 make an appointment to become immediately effective for the remainder of the
10 unexpired term.

11 (d) A legislator ceases to be a member of the council if the legislator ceases to
12 be a member of the house from which the legislator was appointed.

13 (e) A majority of the council constitutes a quorum for the conduct of business.
14 Official action by the council requires a majority vote of the council.

15 (f) The council shall meet at least three times a year. The chair shall set the
16 time and place of the meetings. The council may also meet at other times and places
17 specified by a call of the chair or by written request of a majority of the council. A
18 member of the council may attend a meeting telephonically or by electronic means if
19 the member obtains approval from the chair.

20 (g) The Department of Commerce, Community, and Economic Development
21 shall provide staff for the council.

22 (h) The governor or a legislator serving on the council serves without
23 compensation, but is entitled to transportation and per diem expenses as provided in
24 AS 39.20.180 when not otherwise entitled to transportation or per diem expenses by
25 another law.

26 (i) Except as provided in (h) of this section, a member of the council is entitled
27 to compensation at an amount to be set by the governor for each day the member is
28 participating in business of the council and is entitled to per diem and travel expenses
29 as provided in AS 39.20.180.

30 **Sec. 44.33.860. Duties and powers.** (a) The council shall advise the governor,
31 legislature, governmental agencies, research institutions, and private sector

1 organizations on

2 (1) promoting the commercialization of research from the private
3 sector and higher education institutions;

4 (2) investment in areas of research where the state has a distinct or
5 emerging advantage;

6 (3) stimulating seed and start-up capital investment and
7 entrepreneurship that promotes economic growth in the traded sector industries or
8 growth businesses in the state; and

9 (4) developing entrepreneurship and management capabilities in the
10 state that are critical to remaining competitive in the traded sector industries or growth
11 businesses.

12 (b) Except as otherwise prohibited by law, the council may request a state
13 governmental agency to furnish information and provide advice to the council to the
14 extent necessary to perform the council's duties.

15 (c) The council may establish committees and delegate the duties and powers
16 of the council to the committees.

17 **Sec. 44.33.870. Innovation and economic competitiveness plan.** Not later
18 than January 1 before the first regular session of each legislature, the council shall
19 prepare an innovation and economic competitiveness plan for the state and submit the
20 report to the governor, senate secretary, and the chief clerk of the house of
21 representatives and notify the legislature that the report is available. The plan must
22 include recommendations on

23 (1) identifying and expanding the industry and core research strengths
24 of the state's traded sector industries and the growth businesses and higher education
25 programs that have the highest potential for commercialization and economic impact;

26 (2) promoting the development and growth of new innovation-based
27 businesses and assisting existing businesses in developing new products;

28 (3) stimulating seed and start-up capital investment and
29 entrepreneurship in a manner that promotes innovation-based economic development
30 in the traded sector industries and growth businesses in the state;

31 (4) developing an innovation index that benchmarks the state, rural

1 areas of the state, and urban areas of the state against national innovation metrics;

2 (5) monitoring the progress and priorities of the state when
3 implementing comprehensive economic development strategies;

4 (6) assessing the needs, recommendations, and effectiveness of
5 regional development organizations; and

6 (7) assessing the effectiveness of regional development organizations
7 in supporting state and local economic development plans.

8 **Sec. 44.33.880. Definitions.** In AS 44.33.850 – 44.33.880,

9 (1) "council" means the Alaska Innovation Council;

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

15 * **Sec. 3.** The uncodified law of the State of Alaska is amended by adding a new section to
16 read:

17 TRANSITION: INITIAL TERMS OF ALASKA INNOVATION COUNCIL
18 MEMBERS. Notwithstanding AS 44.33.850(c), enacted by sec. 1 of this Act, members of the
19 Alaska Innovation Council are appointed to initial terms as follows:

20 (1) members appointed under AS 44.33.850(b)(8), enacted by sec. 1 of this
21 Act, shall serve one-year terms;

22 (2) members appointed under AS 44.33.850(b)(9) and (10), enacted by sec. 1
23 of this Act, shall serve two-year terms; and

24 (3) members appointed under AS 44.33.850(b)(11) and (12), enacted by sec. 1
25 of this Act, shall serve three-year terms.