

**Confirmations
2015: Chris
Hladick,
Commissioner,
DCCED**

<TARGET><BILL></BILL><SUBJECT>Confirmations 2015 Chris
Hladick, Commissioner, Department of Commerce, Community and
Economic Development</SUBJECT><COMM>HEDA29</COMM></TARGET>

Chris Hladick questions

4 of the AAPC Imp Plan's 32 recs have DCCED as the lead agency in implementation – have you reviewed these? Have any thoughts in particular on Rec 3C? Rec 3 D?

How many employees did you oversee as city manager of Dutch Harbor? How employees in DCCED? Do you see any challenges for you managing that many people?

This Committee heard an excellent presentation from Joe Josephson, Director of the Division of Economic Development last week (AAPC Rec. 1 D). Do you have any ideas on how to diversity Alaska's economy?

Do you think you'll be making a lot of changes in leadership and Division Directors?

Jon Bittner, DCCED Dep. Comm. Is now serving on AIDEA/AEA Board – I assume you'll be serving on the Board once you are confirmed?

Lawrence Blood is acting Director of Division of Community and Regional Affairs still? Have you met with him?

DCCED includes 7 semi - autonomous Corporate agencies like AKRR.

DCCED recently produced a report, Unmanned Aircraft Systems: An Economic Development Strategy for Alaska. Have you had a chance to review the report? Any thoughts?

[Department of Commerce, Community and Economic Development]

State
of

OUR MISSION: PROMOTE A HEALTHY ECONOMY, STRONG COMMUNITIES, AND PROTECT CONSUMERS IN ALASKA.



Fred Parady
Acting Commissioner



Jon Bittner
Deputy Commissioner

Divisions:

Commissioner's Office
Administrative Services
Banking and Securities
Community and Regional Affairs
Corporations, Business and Professional Licensing
Economic Development
Insurance

Corporate Agencies:

Alaska Energy Authority
Alaska Industrial Development and Export Authority
Alaska Gasline Development Corporation
Alaska Railroad Corporation
Alaska Seafood Marketing Institute
Alcoholic Beverage Control Board
Regulatory Commission of Alaska

Important Links:

▶ Helping Communities
▶ Important Links

What's New

Tourism Marketing Board Solicits Participation
 Division of Insurance Advises Precautions
 Division of Insurance Streamlines Communications
 Economic Development Strategy for
 Unmanned Aircraft Systems in Alaska
 Deputy Commissioner Bittner Recognized
 as Game-Changing Economic Developer
 Minerals Commission Releases 2015 Report
 Newest Yukon-Kuskokwim ARDOR Recognized
 Marijuana Initiative Public Interest Form Available
 Handymen Soon To Be Registered, Bonded
 Statewide Broadband Task Force Submits Report
 New License Law Eases Paperwork
 Financial Pressures on the Rise
 for the "Sandwich Generation"
 Insurance Fraud Awareness and Protecting
 Consumers—Two Goals with a Joint Purpose
 Seafood Industry Grateful for Alaska's
 Sponsorship of Iceland Conference
 Alaska Receives Top Honors from the
 International Economic Development Council
 Edna Bay Incorporates as Alaska's Newest City
 Interior Alaska is at the Center of the
 State's Development Plans
 Alaska Railroad VP Wins Rail Industry Award
 Alaska Joins the AmeriCorps 20th Anniversary

[Archived News Articles](#)
[Public Notices](#)

Chris Hladick

Hladick, Chris Commissioner - Department of Commerce, Community and Economic Development

Objective

Seeking the position of Commissioner for the State of Alaska.

Profile

City Manager in Alaska since 1990 with experience in the following areas: capital projects, strategic planning, budget and finance, management and organizational development, utilities, union contract negotiation, grant writing, managing legal disputes, construction contracts, policy development, disaster preparedness, Preferred Use Agreements, and lobbying experience at the State and Federal levels. I am very familiar with NEPA and ESA issues and have had a diverse array of experiences working with Federal and State Agencies. I have built or overseen the construction of powerhouses and distribution systems, roads, bridges, schools, landfill facilities, docks, sewer and water plants and distribution systems, pools, recreation facilities, office buildings, clinics, mooring buoys, boat harbors, paving projects, and many custom homes. I have a special interest in Arctic Policy Issues.

Experience

CITY MANAGER, UNALASKA, ALASKA 2001-PRESENT

Responsible for \$50M operating budgets for General and Enterprise Funds; supervising 160 employees and administering five union contracts. The City encompasses the following departments: Police, Fire and EMS, Public Works & Utilities (Water, Sewer, Electric, Landfill), Clerks, Parks Culture and Recreation, Port of Dutch Harbor, Planning, Finance and Administration. Upon arrival projects were stalled, morale was low, and a general lack of leadership was present. The following are a few of my accomplishments to date:

- Carle E Moses boat Harbor \$72M and various dock projects \$15M
- New state of the art Powerhouse \$62M, installation of fourth engine in progress \$7.5M
- New Water and Sewer Plants in construction \$42M
- Developed Ten year visioning process and Comp Plan Update, multiple year capital plans, 45 year development plan for landfill facility, currently planning for possible oil and gas exploration impacts.
- Multiple construction projects, paving, schools, pool, Parks Culture and Recreation, and landfill cells.
- Developed assessment tools and long range plans for use in 5 year Capital and Major Maintenance Plan.
- Emergency Towing System, disabled vessel planning, planned and constructed emergency mooring buoy.

CITY MANAGER, DILLINGHAM, ALASKA 1994-2001

Responsible for \$12M General and Enterprise Funds supervising 73 employees. Police, Fire & EMS, Finance, Planning, Senior Center, Public Works, Dock, Landfill, Library and Museum. Upon arrival dealt with serious financial concerns, negative cash flows, lack of training and a host of organizational issues. Employees were organizing under Local 71. The following are some of my accomplishments while there:

Chris Hladick resume page two

- Drafted city's first Strategic Plan, Comp Plan Update, Dock Tariff update, Water and Sewer Master Plans, Long Range Harbor Plan, GIS, completed a 20 year project for erosion control on the Nushagak River, harbor improvements, roads, Local 71 left without organizing the employee's.
- Water and Sewer improvements and Landfill design and construction.
- Planned and constructed a new 1.5 acre sheet pile dock facility.

CITY MANAGER, GALENA ALASKA 1990-1994

Responsible for \$4.6M operating budget supervising 57 employees; city operates the Electric Utility, Public Works, Water and Sewer, Medical and Dental Clinic, Mental Health, Finance, and Administration. City was in the final stages of completing the Galena Powerhouse Project. Bid at \$1.2M and built for \$6.5M. I was the sixth manager on the project in five years (with no previous experience). Acted as Public Works Director, Electric Utilities Supervisor as well as City Manager. The following is a partial list of my accomplishments.

- Maintained Air Force power supply contract during \$1M in failures during summer of 1991. Air Force contract was underbid by \$500K. After 2.5 years of claims processing and negotiation with the Air Force the Federal Government paid off the City's bond indebtedness of \$2.8M and renegotiated the power sales agreement for the Galena Air Force Station.
- Upgraded transmission system, water plant, sewer lines, streamlined Public Works and Utility departments, developed maintenance programs, rate structures, and upgraded waste heat utilization.
- Obtained funding for New Water Plant, Bond issue for powerhouse, revetment projects on the Yukon, planning for new Health Clinic, BIA Road Project.

Education

BS Environmental Biology, Eastern Illinois University	1979
Geology and Engineering, Ft. Lewis College, University of Colorado	1983-85

Various Employments

Lead Carpenter, Custom Homes, Colorado; Derrick Hand, Oil Rigs, Wyoming; Fire Cache Everglades National Park Florida; Deck Hand Barges on Upper Mississippi River.

Organizations-Present and Past

Alaska Arctic Policy Commission, Northern Waters Task Force, Board member Museum of the Aleutians, Municipal Managers Association, BBAHC Jake's Place Advisory Board (Dillingham), SWAMC committees, Past Co-Chair of Legislative Committee AML, Coung Nhu Martial Arts, OUR BAND.

ALASKA STATE LEGISLATURE
HOUSE SPECIAL COMMITTEE ON ECONOMIC DEVELOPMENT, TOURISM AND ARCTIC POLICY



Representative Bob Herron, Chair
State Capitol Building, Room 406
Phone (907) 465-4942
Rep.Bob.Herron@akleg.gov

Rep. Craig Johnson, Rep. Charisse Millett, Rep. Cathy Tilton, Rep. Louise Stutes,
Rep. Dan Ortiz, Rep. Adam Wool

February 18, 2015

Craig Fleener, Arctic Policy Adviser
Office of Governor Bill Walker
Delivered Via Email

Dear Mr Fleener,

As you know, the United States' Chairmanship of the Arctic Council begins in April and will last for two years. During this time, many Working Groups and other Arctic Council meetings will take place in Alaska. We believe you are still working on formulating the specific mission and composition of the Alaska Host Committee for the U.S. Chairmanship of the Arctic Council; but it's clear the Host Committee will serve to welcome delegations; host receptions; and elucidate Alaskan issues and priorities for visiting delegates.

We respectfully suggest that you formally name these organizations as Supporting Partners to the Alaska Host Committee for the U.S. Chairmanship of the Arctic Council:

- Resource Development Council of Alaska
- Alaska Mining Association
- Alaska Tourism Industry Association
- State Chamber of Commerce
- Alaska Municipal League
- Alaska Oil and Gas Association
- Alaska Federation of Natives

With so many high level international visitors coming to the state over the next two years, the EDA Committee sees an important place for these partner organizations to showcase Alaska to visiting Arctic dignitaries who would return to their home countries with firsthand knowledge about the unique beauty and opportunity of Alaska. This would certainly have a positive impact upon Alaska tourism, as well as foreign investment.

Sincerely,

Chairman Bob Herron

Sincerely,

Representative Craig Johnson

Sincerely,

Representative Charisse Millett

Sincerely,

Representative Cathy Tilton

Sincerely,

Representative Louise Stutes

Sincerely,

Representative Dan Ortiz

Sincerely,

Representative Adam Wool

cc:

Rick Rogers, Executive Director, Resource Development Council of Alaska
Sarah Leonard, President & CEO, Alaska Tourism Industry Association
Kara Moriarty, President & CEO, Alaska Oil and Gas Association
Deantha Crockett, Executive Director, Alaska Mining Association
Kathie Wasserman, Executive Director, Alaska Municipal League
Rachel Petro, President & CEO, State Chamber of Commerce
Julie Kitka, President, Alaska Federation of Natives



Official Business

Alaska State Legislature

House of Representatives

Office of the Chief Clerk

State Capitol
Juneau, AK 99801-1182
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Fax: (907) 465-5334

MEMORANDUM

TO: Representative Herron, Chair
House Special Committee on Economic Development, Tourism, and Arctic Policy

FROM: Suzi Lowell, Chief Clerk *sl*

DATE: February 5, 2015

SUBJECT: Governor's Appointment(s)

The Speaker referred the following Governor's appointment(s) to the House Special Committee on Economic Development, Tourism, and Arctic Policy and the Labor & Commerce Committee:

Commissioner – Department of Commerce, Community, and Economic Development
Chris Hladick
Appointed: 1/20/2015

The signature page(s) are attached for your use. The resume(s) and contact information will be sent electronically.

Attachments as noted

CONFIRMATION COMMITTEE REPORT

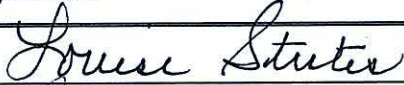



Action date: 3.19.15

The **House Special Committee on Economic Development, Tourism, and Arctic Policy** has reviewed the qualifications of the following Governor's appointee and recommends that this name be forwarded to a joint session for consideration:

Commissioner – Department of Commerce, Community, and Economic Development

Chris Hladick
Appointed: 1/20/2015

This does not reflect intent by any of the members to vote for or against this individual during any further sessions for the purposes of confirmation.

Signature:	Printed Last Name
	STUTES
	Tilton
	Johnson
Chair: 	HERRON

Please return to the Chief Clerk's office.

Department of Commerce, Community, and Economic Development

The mission of the Department of Commerce, Community, and Economic Development is to promote a healthy economy and strong communities, and to protect consumers in Alaska. This mission is accomplished through the efforts of six core and seven corporate agencies that focus on four priorities:

- Economic Development
- Sustainable Energy
- Strong Communities
- Consumer Protection

The department provides a wide array of services including:

- Access to capital markets for businesses;
- State grants and loans;
- Programs aimed at key economic sectors, such as electric power generation, tourism, mining, fishing and timber;
- Marketing of Alaska products and visitor attractions;
- Regulation of banking, securities, corporations, insurance, occupations and public utilities;
- Financial and technical assistance to communities

Corporate Agencies

The **Alaska Aerospace Corporation (AAC)** is a public corporation established by the State of Alaska to develop and expand aerospace-related industry, research and technical opportunities. In initial fulfillment of its charter, AAC developed, owns, and operates the Kodiak Launch Complex (KLC) on Kodiak Island, which is the nation's first commercial full-service spaceport that is not collocated on a federal launch facility. KLC is a state-of-the-industry facility that provides access to space for clients, which have included several Department of Defense agencies and the National Aeronautics and Space Administration. AAC is planning to add a third launch pad and rocket motor storage facility in the near term to meet growing demand for launch services at KLC. In January 2011, Gov. Parnell issued an executive order transferring oversight of AAC to the Department of Military and Veterans Affairs, effective in June 2011. At the time this was printed, the Legislature had not yet

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT

OFFICE OF THE COMMISSIONER (AS 44.33.010 – 020)

DIVISION OF ADMINISTRATIVE SERVICES (AS 44.33.010 – 020)

DIVISION OF ECONOMIC DEVELOPMENT

- Rural Development (AS 44.33.020 & AS 44.33.740)
- Tourism Marketing Contracts (AS 44.33.119-125)
- Alaska Minerals Commission (AS 44.33.431)
- Tourism Development (AS 44.33.020(36))
- Economic Development Policy (AS 44.99.100)
- Alternative Energy Conservation Revolving Loan Fund (AS 45.88.010-090)
- Child Care Facility Revolving Loan Fund (AS 44.33.240-275)
- Commercial Fishing Loan Act (AS 16.10.300-370)
- Fisheries Enhancement Revolving Loan Program (AS 16.10.500-560)
- Historical District Revolving Loan Fund (AS 45.98.010-070)
- Mining Loan Fund (AS 27.09.010-060)
- Residential Energy Conservation Fund (AS 45.88.100-190)
- Small Business Revolving Loan Fund (AS 45.81.210-290)
- Veterans' Loans (AS 26.15.010-160)
- Small Business Economic Development Revolving Loan Fund (AS 44.88.400-430)
- Rural Development Initiative Fund (AS 44.88.600-900)
- Alaska Capstone Avionics Revolving Loan Fund (AS 44.33.650-690)
- Tourism Revolving Fund (45.81.100-190)
- Small Business Loans (AS 45.81.200-290)
- Alaska Regional Development Organizations Program (AS 44.33.895)
- Alaska Product Preference (AS 36.30.332-338)
- Made in Alaska Program (AS 45.65.010-070)

acted on the executive order.

The **Alaska Energy Authority (AEA)** operates and maintains the existing state-owned power projects (Bradley Lake hydroelectric project, Larsen Bay hydroelectric project and the Anchorage-Fairbanks Intertie). Through a variety of financial and technical assistance programs, AEA also assists in the development of safe, reliable and effective energy systems throughout Alaska that are financially viable and environmentally sound. Emphasis is placed on rural energy programs in an effort to promote economic development and to advance the quality of life in remote areas of Alaska. Programs administered by AEA to assist in these objectives include Power Cost Equalization, which seeks to equalize the cost of electricity between urban and rural Alaska; Bulk Fuel Upgrades; Rural Power System Upgrades; Power Project loans; Bulk Fuel loans; Energy Conservation and Efficiency, and Alternative Energy Development.

The **Alaska Industrial Development and Export Authority (AIDEA)** is a public corporation that provides the means of financing industrial, manufacturing, export and other business enterprises to further the overall goal of developing and diversifying the state's economic base. The authority supports economic development through a number of different programs. Under the Loan Participation Program, the authority works with financial institutions, such as banks, to participate up to 90 percent to a maximum of \$20 million in permanent financing for business enterprises, such as hotels, retail and office buildings, warehouses and fishing vessels. The Business and Export Assistance Program provides the financial institution up to an 80 per cent guarantee of the principal balance of a loan to a maximum of \$1 million for working capital, real property, or equipment acquisition or export transactions.

Through its Development Finance Program, the authority also encourages economic development through direct ownership of transportation infrastructure, ports, airports, utilities, and other public-use facilities. To be eligible for AIDEA funding, a project must be essential for the economic well-being of an area and must produce adequate revenues to repay the bonds sold to finance the project. The authority works closely with local governments and approves projects compatible with the local economy and supported by the community.

- Department of Commerce, Community, and Economic Development (AS 44.33.020)

DIVISION OF COMMUNITY and REGIONAL AFFAIRS

- Advise and assist local governments (AS 44.33.020)
- Rural Development (AS 44.33.020 & AS 44.33.740)
- Various Grant Programs (AS 44.33.020 (10, 18, & 20))
- Rural Utility Business Advisory Program (AS 44.33.740)
- Bulk Fuel Storage Facility Grant Fund (AS 44.33.750)
- Classification, Alteration of Municipalities (AS 29.04 & AS 29.06)
- Appointment, Qualification and Terms of LBC (AS 39.05.060)
- Local Boundary Commission (AS 44.33.810 – AS 44.33.828, AS 44.33.020 (4))
- Municipal Lands Trust (AS 44.33.755)
- Alaska Coastal Management Program (AS 44.33.781)
- Municipal Capital Project Matching Grant Program (AS 37.06.010)
- Unincorporated Capital Project Matching Grant Program (AS 37.06.020)
- Grants to Municipalities (AS 37.05.315)
- Grants to Named Recipients (AS 37.05.316)
- Grants to Unincorporated Communities (AS 37.05.317)
- Community Revenue Sharing (AS 29.60.850)
- Bulk Fuel Bridge Loan Program (AS 29.60.660)

DIVISION OF BANKING & SECURITIES

- Banks and Financial Institutions (AS 06)
- Alaska Corporations Code (AS 10.06)
- Alaska BIDCO Act (AS 10.13)
- Alaska Revised LLC Act (AS 10.50)
- Uniform Land Sales Practices Act (AS 34.55)
- Community Development Quota (AS 44.33.020 (11) & AS 44.33.113)
- Commercial Fishing and Agriculture Bank (AS 44.81)
- Alaska Securities Act (AS 45.55)
- Takeover Bid Disclosure Act (AS 45.57)

DIVISION OF INSURANCE (AS 21)

DIVISION OF CORPORATIONS, BUSINESS, AND PROFESSIONAL LICENSING

- Centralized Licensing (AS 08.01)
- Miscellaneous Provisions (AS 08.02)

The authority is governed by a seven-member board, which it shares with AEA. The board is comprised of the commissioners of the departments of Revenue and Commerce, Community, and Economic Development, and five public members appointed by the Governor.

The **Regulatory Commission of Alaska (RCA)** regulates public utilities and pipeline carriers by certifying qualified providers of public utility and pipeline services and ensuring that jurisdictional utilities and pipeline carriers provide safe and adequate services and facilities at just and reasonable rates, terms, and conditions. The commission also determines eligibility and the per-kilowatt-hour support for electric utilities under power cost equalization. It is governed by a board of five commissioners appointed by the Governor.

The **Alaska Railroad Corporation** operates and manages the Alaska Railroad, which the federal government sold to the state in 1985. It is a public corporation with a legal existence independent of, and separate from, the State, and is governed by the board of directors consisting of the commissioners of the departments of Commerce, Community, and Economic Development and Transportation and Public Facilities, and five public members appointed by the Governor.

The Railroad operates year-round rail freight and passenger service from Seward to Anchorage and into the Interior city of Fairbanks. The Railroad also owns approximately 36,000 acres of land, half of which is devoted to operations, and the other half is available for lease. Mandated by law to be a self-supporting corporation, the Railroad fosters and promotes the long-term economic growth and development of the State.

The **Alaska Seafood Marketing Institute (ASMI)** was created in 1981 by the Alaska Legislature. It is a partnership of state government and private industry under the Department of Commerce, Community, and Economic Development, funded by the Alaska seafood industry, the State of Alaska and the federal government. ASMI's programs, which promote Alaska-brand seafood and conduct food safety and quality assurance education, are guided by a seven-member Board of Directors appointed by the Governor, which is made up of commercial fishermen and representatives of large and small seafood processing firms. Three ex-officio members, representing the two chambers of the Legislature and DCCED Commissioner's

- Termination, Continuation and Reestablishment of Regulatory Boards (AS 08.03)
- Board of Public Accountancy (AS 08.04)
- Board of Barbers and Hairdressers (AS 08.13)
- Board of Chiropractic Examiners (AS 08.20)
- Board of Professional Counselors (AS 08.29)
- Board of Dental Examiners (AS 08.36)
- State Board of Registration for Architects, Engineers, and Land Surveyors (AS 08.48)
- Board of Marine Pilots (AS 08.62)
- Board of Marital and Family Therapy (AS 08.63)
- State Medical Board (AS 08.64)
- Board of Certified Direct Entry Midwives (AS 08.65)
- Board of Nursing (AS 08.68)
- Board of Examiners in Optometry (AS 08.72)
- Board of Pharmacy (AS 08.80)
- State Physical Therapy and Occupational Therapy Board (AS 08.84)
- Board of Psychologists and Psychological Associate Examiners (AS 08.86)
- Board of Certified Real Estate Appraisers (AS 08.87)
- Real Estate Commission (AS 08.88)
- Board of Social Work Examiners (AS 08.95)
- Board of Veterinary Examiners (AS 08.98)
- Regulation of Acupuncturists (AS 08.06)
- Regulation of Audiologists and Speech-language Pathologists (AS 08.11)
- Regulation of Construction Contractors (AS 08.18)
- Regulation of Collection Agencies (AS 08.24)
- Regulation of private professional guardians and private professional conservators (AS 08.26)
- Regulation of Dental Hygienists and Assistants (AS 08.32)
- Regulation of Dietitians and Nutritionists (AS 08.38)
- Regulation of Electrical and Mechanical Administrators (AS 08.40)
- Regulation of Morticians (AS 08.42)
- Regulation of the Practice of Naturopathy (AS 08.45)
- Regulation of Explosive Handlers (AS 08.52)
- Regulation of Guide-Outfitters (AS 08.54)
- Regulation of Hearing Aid Dealers (AS 08.55)
- Regulation of Hotels and Boardinghouses (AS 08.56)

Office, round out the board. Eight advisory committees provide input to the seafood marketing and quality assurance programs. ASMI's programs are conducted in the United States and overseas to increase consumption of Alaska seafood and promote quality. Alaska processor and federal funds supply the funding for ASMI operations.

The International Marketing Program promotes Alaska seafood in 15 countries overseas, mainly in Asia and Europe. The International Marketing Program is conducted partially with funding provided by the federal government through the USDA Market Access Program, as well as state matching funds.

The Seafood Technical Program at ASMI promotes Alaska seafood quality from the point of harvest to the consumer's plate. The program conducts quality assurance training and develops and disseminates seafood quality training and handling materials.

Serve Alaska fosters, supports, and promotes the ethic of service and volunteerism and endeavors to engage Alaskans of all ages and backgrounds in tangible, results-oriented community projects. Since 1994, Serve Alaska has been increasing volunteerism and service to communities in Alaska. One of the commission's primary functions is to oversee grants provided to tribal, local non-profit and government agencies to run national service programs like AmeriCorps and Learn and Serve America. The commission is comprised of up to 25 members appointed by the Governor to establish the goals and objectives for the mission of the Serve Alaska. Commissioners also provide guidance and oversight to the Executive Director and staff.

Division of Administrative Services

The **Division of Administrative Services** provides administrative support services to the department in the areas of accounting, budget, procurement, property control, and information technology.

Division of Economic Development

The mission of the **Division of Economic Development** is to promote economic opportunities for Alaskans. The division is a one-stop shop that can assist an existing or proposed business with financing, marketing, business assistance, and governmental coordination. Programs

- Regulation of Junk Dealers and Junk Yards (AS 08.60)
- Regulation of Motor Vehicle Dealers and Buyers' Agents (AS 08.66)
- Regulation of Nursing Home Administrators (AS 08.70)
- Regulation of Dispensing Opticians (AS 08.71)
- Regulation of Pawnbrokers and Secondhand Dealers (AS 08.76)
- Regulation of concert promoters (AS 08.92)
- Regulation of professional geologists (AS 08.02.011)
- Regulation of euthanasia for domestic animals (AS 08.02.050)
- Regulation of Mortgage Brokers/Lenders (AS 06.60)
- Regulation of Corporations (AS 10.06)
- Money Service Businesses (AS 06.55)
- Alaska Business License Act (AS 43.70)
- Athletic Commission (AS 05.05, 05.10)
- Certification of Storage Tank Workers (AS 46.03.375)
- Student Loan Default Program (AS 14.43.148)
- Child Support Enforcement Program (AS 25.27.244)
- Administrative Procedure Act (AS 44.62)
- Department of Commerce, Community, and Economic Development (AS 44.33.020)

ALASKA AEROSPACE CORPORATION

- Alaska Aerospace Development Corporation (AS 14.40.821-990)
- State Facilities Operations and Maintenance (AS 37.07.020(e))

ALASKA INDUSTRIAL DEVELOPMENT AND EXPORT AUTHORITY

- Alaska Industrial Development and Export Authority (AS 44.88)
- State Facilities Operations and Maintenance (AS 37.07.020(e))

ALASKA ENERGY AUTHORITY

- Alaska Energy Authority (AS 44.83)
- State Facilities Operations and Maintenance (AS 37.07.020(e))

ALASKA SEAFOOD MARKETING INSTITUTE

- Alaska Seafood Marketing Institute (AS 16.51.010-180)

REGULATORY COMMISSION OF ALASKA

- Regulatory Commission of Alaska (AS 42.04)
- Public Utilities Regulatory Act (AS 42.05)

focus on business creation and retention, tourism, film, fisheries, forest products, minerals, and direct state lending.

- The **Development Section** provides specialized assistance in tourism, film, fisheries, forest products, minerals, and small business programs that are designed to further diversify Alaska's economic landscape and foster new employment opportunities for Alaskans. Programs include:

- Alaska Regional Development Organizations (ARDOR)
- Made in Alaska
- Small Business Development
- Developing Alaska Rural Tourism (DART)
- Tourism Mentorship Assistance
- Alaska Product Preference
- Qualified Trade Association Contract – ATIA
- Alaska Visitor Statistics

- The **Financing Section** administers 12 loan programs that direct state funding in industries and areas of the state that are not adequately serviced by the private sector. Active lending is currently available in four of the programs:

- Commercial Fishing Revolving Loan Fund;
- Fisheries Enhancement Revolving Loan Fund;
- Small Business Economic Development (SBED);
- Rural Development Initiative Fund

Division of Banking and Securities

The **Division of Banking and Securities** examines state-chartered and licensed depository and non-depository financial institutions, administers Alaska's securities laws, and provides consumer and investor education and outreach.

- The **Banking Section** charters and examines state-chartered banks, bank holding companies, credit unions, trust companies, small loan companies, business and industrial development corporations (BIDCOs), as well as premium finance companies.
- The **Securities Section** registers securities; approves exempt securities offerings; licenses, registers, and examines investment advisors and broker-dealers; investigates investor complaints and reports of fraud; and administers proxy filing requirements for Alaska Native Claims Settlement Act corporations.
- The **Consumer Finance Section** registers, licenses, examines and investigates complaints against non-depository financial institutions, which includes mortgage brokers, lenders and originators, as well as money service

- Pipeline Act (AS 42.06)
- Rural and Statewide Energy Programs (AS 42.45)

DCED STATE FACILITIES RENT

- State Facilities Operations and Maintenance (AS 37.07.020(e))

AS-Alaska Statute

businesses, which include: (1) money transmitters (wiring of funds); (2) issuers of traveler's checks, money orders, or stored value cards; (3) sellers or redeemers of traveler's checks, money orders or stored value cards; and (4) currency dealers or exchangers.

The mission of the **Division of Community and Regional Affairs** (DCRA) is to promote strong communities and healthy economies. DCRA does this by focusing on promoting efficient, accountable and effective local administration of boroughs, cities, tribal governments and nonprofit corporations that provide a public service to communities. DCRA coordinates the resources of state agencies and commissions, federal agencies and commissions, regional nonprofit organizations, municipal governments and tribal governing bodies to develop public service facilities and efficient public service delivery.

DCRA has staff located in seven regional locations across Alaska. Staff in each office are in frequent contact with the surrounding communities, helping to develop and maintain the efficiency and effectiveness of the communities' local governments.

DCRA is composed of the following sections:

- Local Government Assistance and the Rural Utility Business Advisor program
- Planning, Land Management and Resource Development
- Grants Program Administration
- Community Aid and Accountability
- Staff to the Local Boundary Commission
- Office of the State Assessor
- Research and Community Information

Specific key programs run by the DCRA include:

- Municipal Lands Trustee Program
- Shared Revenue Funding Programs like:
 - Community Revenue Sharing
 - Payments in Lieu of Taxes (PILT)
 - National Forest Receipts
 - Fish Tax Revenue Sharing
- Alaska Coastal Management Program (ACMP)
- Community Coastal Impact Assistance Program (CCIAP)
- Community Development Block Grants
- Administration of Designated Legislative Grants
- Alaska Community Database

Division of Insurance

The mission of the **Division of Insurance** is to ensure that competitive, viable, ethical and lawful insurance is available to Alaskans. The Division also provides information about insurance through annual publications designed to heighten consumer awareness. The Division accomplishes this through:

- **Financial oversight:** The primary goal of the Division is to enforce the financial examination statutes and regulations to ensure that the insurance companies doing business in Alaska are solvent.
- **Licensing:** Issuing insurance company licenses and producer licenses within reasonable timelines ensures insurance products are available to Alaskans.
- **Compliance:** Various tools, including investigations of consumer complaints and market examination of insurance companies, are utilized to ensure compliance with Alaska statutes and regulations governing insurance companies.
- **Investigations:** Alleged fraudulent insurance activities are investigated leading to both civil administrative actions and criminal convictions, including felony convictions.
- **Filing review:** Rates and forms used by insurers providing insurance coverage of Alaskans are monitored for conformity with statutory standards.
- **Consumer outreach and education:** To ensure consumers have the tools to evaluate and purchase insurance products that are appropriate for their needs, various outreach programs are conducted.

Division of Corporations, Business and Professional Licensing

The **Division of Corporations, Business and Professional Licensing** issues corporate registrations, state business licenses and occupational licenses to practice specific professions.

- **Corporations**
This Section examines organizational documents for a variety of business entities, such as corporations, limited liability companies and limited partnerships, and issues Certificates of Authority to foreign business entities doing business in Alaska. This Section also administers the State's trademarks laws and maintains a registry of business names.
- **Business Licensing**
A state license is required to conduct business in Alaska. Businesses are classified according to their primary activity. Application forms are available in the division's Juneau and Anchorage offices as well as on the Internet. Business licenses are issued for a one- or two-year period at a cost \$50 for each year. Additional licensing is required for the sale of tobacco or tobacco products, at a cost of \$100 per location.
- **Investigations**
This Section reviews and investigates complaints concerning violations of the statutes and regulations that govern professional and business licenses. Investigations may include fraud, malpractice, negligence, misconduct, ethics

and noncompliance of various licensing provisions. Unless the investigation results in public action, contents of an investigation are kept confidential.

- **Professional Licensing**

This Section ensures that qualified professionals get properly licensed for the 40 professions requiring a professional license in the State of Alaska. Professional Licensing staff examine and process licensing applications, administer licensing examinations, and assist the State professional licensing boards.

Licensing Boards assisted by the Division:

Architects, Engineers and Land Surveyors	Optometry
Barbers and Hairdressers	Pharmacy
Big Game Commercial Service Board	Physical and Occupational Therapy
Certified Direct-Entry Midwives	Professional Counselors
Certified Real Estate Appraisers	Psychologist and Psychological Associate Examiners
Chiropractic Examiners	Public Accountancy
Dental Examiners	Real Estate Appraisers
Marine Pilots	Real Estate Commission
Marital and Family Therapy	Social Workers
Medical	Veterinary Examiners
Nursing	

Licensing programs administered directly by the Division:

Acupuncture	Geologists
Audiologists	Guardians & Conservators
Collection Agencies	Hearing Aid Dealers
Concert Promoters	Home Inspectors
Construction Contractors	Morticians
Dieticians and Nutritionists	Naturopaths
Dispensing Opticians	Nursing Home Administrators
Electrical and Mechanical Administrators	Pawnbrokers
Euthanize Domestic Animals/Permits	Speech-Language Pathologists
	Underground Storage Tank Workers

Economic Development

Our team was asked to identify five issues that would benefit Alaska and Alaskans when addressing “Economic Development”. We view Economic Development with the understanding that a considerable amount of time, effort and money have been expended in the name of Economic Development, but without an overall pre-determined VISION, most of that effort has not led to accomplishing what we believe Economic Development should accomplish in Alaska, which is: *creating sustainable Alaskan jobs and creating individual wealth for Alaskans*. With these two goals in mind, we respectively offer the following five issues to the Walker/Mallott Team with a pledge to offer our collective and individual service to help accomplish those goals.

Priority Issues

1. Through a robust public process, a vision for Alaska’s economic future is established, with goals as metrics to achieve the vision and a detailed plan developed to accomplish the goals
2. Infrastructure – Communication, Energy and Transportation
3. Lack of recognition of the economic potential of rural Alaska – Innovation and Entrepreneurship in rural Alaska needs more support
4. Investment climate supporting Research and Development
5. Use Cluster-Based Economic Development: Economic policy supports private sector cluster initiatives that recognize regional strengths and local economies

Expanded Priority Issues

- 1. Through a robust public process, a vision for Alaska's economic future is established, with goals developed as metrics to achieve the vision and a detailed plan developed to accomplish the goals.**

Success Elements Considered to be Agreeable to Most Alaskans

- All regions of the state are engaged in the discussion
 - Must take into account local and regional stakeholder interests and needs within the bounds of the Vision
- The vision has defined and measurable goals
 - Goals must be date specific,
 - Goals must support accomplishing the Vision
- Both the public and government embracing support division as official policy of the state of Alaska
- A comprehensive plan is developed to accomplish the goals
 - Plan must support and accomplish the goals and vision
 - Must be date specific for achievement
 - Must be reviewed and updated frequently to account for changing conditions and outcomes
 - Must take into account local and regional and stakeholder interests and needs within the bounds of the vision

Possible Actions to Success on Agreed Success Elements

- Ask Governor to establish a collaborative public process
 - Recommend the administration start the process with Vision, Goals and Plan statement,
 - Create a public process to allow balanced input from across Alaska,
 - Use outcome as guide to start all development projects,
 - Measure project outcomes against established Vision, Goals and Plan metrics,
 - Timeline is 12 months to have Vision, Goals and Plan in place.

Defining Success

- Implementation of VISION, GOALS and PLAN on established timeline,
- State-Wide buy-in to VISION GOALS and PLAN,
- Measured performance: (examples)
 - # of Alaskan jobs
 - Regional per-capita income for Alaskans
 - Establish Alaska specific formula (example) ROI=grow AK economy by X
 - Graduation Rates

Barriers to Further Success

- Lack of commitment and buy-in from stakeholders (private and government),
- Lack of funding for process due to current state financial condition,
- Not focusing on Vision but on “scoring points” or “putting out fires,”
- Lack of State-Wide communication to reach out to all regions,
- Losing focus on why we need a Vision,
- Potential of “shelving” the Plan (no follow-through),
- Failure to realize we are not powerless even though we may be poor,
- Perception of process

Actions to Address Barriers

- Governor’s leadership needed to involve all stakeholders,
- Develop a budget to fund process, utilizing a public/private process for developing budget and funding process,
- Robust and transparent State-wide outreach involving: strong leadership; diverse community, regional and state-wide advocate groups; an outreach PLAN with defined measures and success matrices,
- Use all tools to achieve State-wide involvement
- Leadership with commitment to VISION and perseverance in its pursuit,
- Build off of efforts conducted in the past; including the recent Alaska Forward Initiative that involved federal, state and private sector resources.

2. Infrastructure: Communication, Energy and Transportation.

Success Elements Considered to be Agreeable to Most Alaskans

- Provide high-speed and affordable communication in every Alaska Community
- Reduce energy costs by 50% within 3 years through a combination of improving building stock and producing local affordable energy
- Rural housing
 - Energy efficient affordable, available housing across rural Alaska
 - Weathering energy efficient upgrades - fix existing stock
 - Alleviate shortage
- Build and/or upgrade commercial grade infrastructure including roads, ports and bridges with goal of improving land, air and sea transportation and access throughout Alaska.

Possible Actions to Success on Agreed Success Elements

- Communication
 - Tap into Federal grant streams,
 - Incentivize communication sector by providing tax incentives,
 - Encourage local business with tax incentives to invest in their region,
 - Continue to fund bailout of communication systems,
 - Provide State loan guarantee for private sector investment,
 - Streamline permitting process – eliminate permitting backlog
- Reduce energy costs by 50% within 3 years through a combination of improving building stock and producing local affordable energy and Rural Housing
 - Assess/expand existing weatherization programs to include nonresident structures
 - Determine/develop plans for increasing housing stock statewide
 - Review the mission of Regulatory Commission of Alaska to assure policies are in place to lead to community affordable energy
 - Maintain and fund existing Power Cost Equalization (PCE) program
 - Education campaign on \$ available for weatherization and energy program (some \$ need to be reauthorized)
 - Develop housing stock where impediment to growth to all communities
 - Develop Alaska energy PLAN focused on affordable energy to all Alaska's regions
- Build and/or upgrade commercial grade infrastructure including roads, ports and bridges with goal of improving land, air and sea transportation and access throughout Alaska
 - Create a sustainable maintenance PLAN for Alaska's existing transportation infrastructure,
 - Design and PLAN to build an Alaska transportation infrastructure that leads to the development of all Alaska resources and accommodates regional concerns and needs

Barriers to Further Success

- Lack of Rec. of Rural AK
- Nowhere to go for feasibility study
- Lack of vision
- Doing same thing for the last 40 years and it is not working

Actions to Address Barriers

- Money funding action
- Investment climate action
- Each village/community performs its own energy assessment and creates an energy action plan

3. Lack of recognition of the economic potential of rural Alaska – Innovation and Entrepreneurship in rural Alaska needs more support.

Stakeholders

- Rural residents
- Governments
 - Tribes
 - State and federal
- Boroughs/cities/municipalities
- School districts and other educational providers
- Local businesses (ANC's, private entrepreneurs)
- Individuals/entities interested in business development

Success Elements Considered to be Agreeable to Most Alaskans

- Initiatives to develop a common vision of potential solutions (could/should be several initiatives)
- Seek viable business enterprises focused on local and export,
 - Manufacturing
 - Retail
 - Tourism
 - Value added
 - Food Products
 - Art/Crafts
 - Clothing
 - Service
- Provide training including general business, marketing and production techniques

Success Elements Considered to be Not Agreeable to Most Alaskans

- Process to prioritize possible viable initiatives

Possible Actions to Success on Agreed Success Elements

- Identify communities that have expressed the desire and/or one or more concepts for economic development (e.g., AFN "Marketplace Program" - see format for "Marketplace") Path to prosperity program in SE AK
- State needs a plan/process to respond to concepts that have been expressed/developed
- Bring back DCRA or refocus
- Create support for regional clusters to generate initiatives that are relevant to industry
- Develop a vision to focus on local development

- Engage community members; identify community priorities
- Training (general business, marketing, production, etc.)
 - Training identified first - then appropriate organizations engaged (unions, University of Alaska subdivisions, businesses/companies, other relevant expert services, distance education, etc.)
 - Apprenticeship programs and technical training through local educational institutes as well as to local expertise

4. Investment climate supporting Research and Development.

Stakeholders

- Gov. as leader
- Administration
- Legislature
- Industry
 - Energy
 - Mineral resources
 - Renewables (fishery, forestry, agriculture, etc.)
 - Tourism (local) AK Native art
 - ANC's and Tribes (marketplace) access to capital

Success Elements Considered to be Agreeable to Most Alaskans

- Communications
- High-tech
- Education
- Healthcare
- Transportation
- Professional services
- Creation of innovative products services industries and jobs
- Create Alaska Center of Innovation – Alaska Science and Technology Fund
 - Capital resources to make this happen
 - Reverse brain drain?

Success Elements Considered to be Not Agreeable to Most Alaskans

- Center of innovation projects - services industries jobs
- ASTF - Alaska Science and Technology Fund resurrect
 - Loans/grants
- Support small business incubator program
- Provide sources of funding, including grants, venture capital and low interest and/or micro loans for development, which are in line with the VISION, GOALS and PLAN

- Clusters plan development
 - Rural energy
 - Rural cargo, manufacturing arctic, military, shipping

Barriers to Further Success

- Lack of commitment (represent economic and communities) of buy-in from stakeholders
 - Private - Gov., Leg., Public, ANC's
- Funding for process
 - Current state of finances
- Time
 - Dealing with putting out fires
- Resistance to change
- Communication to get all representative, diverse involvement stakeholders, diversity involvement
- Risk of losing focus of why do we need a vision
- Not looking at models global and local of success
- Potential to shelving plan - no follow-through
- Perception of process - desire to include all Alaskans
- Realizing we are poor but not powerless - recognition of financial situation

Actions to Address Barriers

- Under governor's leadership - develop a process to involve stakeholders
- Developing a budget to fund process through public/private process
 - Ensure how and why this is different than the past - study
 - Be mindful of perception of process
- Target completion of vision implant by November 2015
- Strong leadership, advocate groups, transparency, outreach, more outreach
- Invite, ask, include; online, surveys, multi full involvement, use all tools
- Leadership with commitment to the vision-prosperity
- Investigate models
- Leadership in engagement of public and government
- Invitation to innovate, build on previous work i.e., Alaskans forward

5. Use Cluster-Based Economic Development: Economic policy supports private sector cluster initiatives that recognize regional strengths and local economies.

A cluster is a geographic concentration of interconnected businesses, suppliers, and associated institutions in a particular field. Clusters are considered to increase the productivity with which companies can compete, nationally and globally (Michael Porter, Harvard Business School). Clusters in Alaska include Tourism, Logistics, Fishing and Seafood Processing, Oil and Gas Extraction, Mining, and Military (amongst others: see Alaska Forward Situational Analysis, 2010, <http://alaskapartnership.org/alaska-forward/phase-i/>).

The State of Alaska is diverse as are the economic activities of its people. There are numerous drivers of our economy in Alaska, including the very important oil and gas sector. There are also many other economic sectors that exist in our state economy that support livelihoods for significant numbers of Alaskans. Some of these sectors, such as fishing and seafood processing, mining, tourism, logistics, forest products and the military have different levels of concentration in different regions of our state. Even the oil and gas sector, which generates revenue that is shared by all Alaskans, has a varied direct impact on local economies depending on which region of the state one chooses to examine.

The Economic Development Transition Team encourages the Governor to recognize the significant economic sectors (clusters) that exist within our state, especially those that bring in resources from outside of Alaska (traded clusters), as well as differences in the economies of distinct regions of Alaska. At both statewide and regional levels, the State should encourage and promote cluster development.

A cluster-based approach is cost-effective economic development that aligns well with collaborate governance. Cluster development, which focuses on those sectors that already exist within our economy builds on our strengths, know-how and previous private and public investments and leads to jobs and increased business opportunities. A Brookings report (*Brookings-Rockefeller Project on State and Metropolitan Innovation January 2011*) found: "No more than 2 percent of annual state job gains can be attributed to business relocations nationally, while more than 95 percent come from the expansion of existing businesses (42 percent) and the birth of new establishments (56 percent)."

Michael Porter of Harvard Business School points out that clusters increase productivity, innovation and the number of firms in a region. The National Governor's Association asserts that clusters boost innovation, lead to higher wages and productivity, improve employment opportunities, stimulate regional entrepreneurship and aids diversification and improves regional sustainability.

A cluster-based approach to economic development recognizes the benefits of economic clusters and engages businesses and other stakeholders involved in key clusters to identify challenges and opportunities that, when addressed, will strengthen the cluster and accelerate the positive impacts that accrue to our regions.

The benefits of cluster-based economic development to the private sector:

- New businesses created
- Jobs created
- A structure/mechanism in place to identify opportunities and challenges to develop local/rural/regional projects and businesses. Examples might include: targeted tax incentives, infrastructure investments, workforce training, and adjusting regulations.
- Innovations brought more quickly and more frequently to markets,
- Improved competitiveness of firms and industries on national and world markets

The benefits of cluster-based economic development to communities:

- Engagement of local knowledge and experience to create successful economic development
- Active collaboration between diverse stakeholders. For example: amongst government, business, environmental groups, civil society organizations, and tribes.
- Thriving communities who work well together

In order for this approach to be successful:

- Leadership is needed from the Governor's Office to recognize and support regional strengths and understand the differences that exist in local economies in different parts of the state.
- Local/Regional economic development organizations need to be empowered and supported so that they can assist firms to collaborate on a local/regional level and assist in interactions with regional clusters in other parts of the state.
- Reinvigorate the Department of Commerce, Community and Economic Development so that it can respond better to regional strengths, opportunities and initiatives.
- Resources need to support priorities that are common to clusters throughout the state, including increasing bandwidth and revisiting the Alaska Science and Technology Fund or other efforts that support bringing innovation to Alaska firms.
- Support Technology Transfer in Alaska, including the work at the University of Alaska as well as utilizing technologies available from Federal Laboratories—bringing new technologies to Alaska companies.

- Support Incubators and similar programs/processes that reduce risk for small business start-up and business expansion.
- Increase Research and Development that is done in close collaboration with industry groups and is focused on application of research that results in commercialization opportunities.
- Develop our talent by increasing the capacity of Alaskans to innovate through a focus on building more skills in Science, Technology, Engineering and Mathematics (STEM), especially in the K-12 system.

A cluster-based approach focuses attention on the strengths that exist in our economy and reflect the different characteristics of individual regions. It does not preclude us from pursuing new opportunities, but encourages us to maximize the return on current capacity and investment. Active collaboration amongst industry partners and key stakeholders will provide new strategies for firms to pursue and will also assist local governments and state and federal agencies to better align their investments in ways for greater return on their investments. And, the data shows, building on current clusters are the most likely route to increased jobs, new firm creation and innovation.