Election Day deconstructed

The election is over, the counts are in, and the results are... interesting. In this brief recap, we’ll cover: changes in leadership, local incumbents and ballot propositions. Personal preference aside, we’ll go over what the election results mean for Alaska businesses.

Let’s get to it.

Changes In Leadership

First up, we have some new faces at the highest levels of state leadership. Senator-Elect Dan Sullivan will replace Mark Begich in Washington. It will be interesting to see what the Senate can accomplish through the waning years of the current administration, and whether or not the shift of leadership will be a net positive for business. Sullivan’s experience with natural resource permitting and regulation should be an asset to Alaska’s D.C. team as will Sen. Lisa Murkowski’s chairmanship of the Energy Committee.

There’s another change of guard as well, this one a little closer to home. Gov. Bill Walker steps into office on the heels of one of the largest global declines in oil prices in history. We’ve done what we can to keep Alaska an attractive option for increased production investment. While we can control our competitiveness, the market controls oil prices. Gov. Walker will need to work closely with the Legislature, the business community, and his team to make deep cuts to the state’s growing budget.

Ballot Propositions

Many of the faces will remain the same, but Alaskans voted for no shortage of change with regards to ballot propositions. Voters passed all three ballot initiatives: Prop 1 – commercializing the sale of cannabis products, Prop 2 – raising the minimum wage, and Prop 3 – requiring legislative approval of mining operations in the Bristol Bay region.

Each of these initiatives creates challenges for the business community. An odd set of circumstances, given the overall pro-business results on the candidate front. The Alaska Chamber will monitor both the implementation and any associated legal actions resulting from the passage of these initiatives.

So, Now What?

Elections are important, more important than the lower-than-expected voter turnout numbers might indicate. But the election is over now and, regardless of personal preference or ideology, the state’s looming fiscal woes are likely to overshadow any individual candidate or elected official.

It may be a very challenging time to serve in office. Our leadership and representatives will need support and information from the Alaska business community as they face choices that are both difficult and unpopular. Make plans to participate, to get involved.

• Join the Alaska Chamber members and staff at our 2015 Legislative Fly-In on January 28-29
• Learn more about your legislators at ProsperAlaska.org
• Contact your elected officials at Alaska.gov

Meet our new membership rep

The Alaska Chamber is pleased to welcome its newest team member, Pete Nolan. A lifelong Alaskan, Pete is excited about expanding the Chamber’s reach with his energy and enthusiasm for the Alaska business community. Pete lives in South Anchorage with his wife Mia and their two children, Mia and Bill. Pete is a member of the Anchorage Home Builders Association, and has served as the President of the Huffman/O’Malley Community Council, and is a Lay Eucharistic Minister with his church. He is actively involved with the Independent Broker’s Association and serves as a director of the Alaska Anglican Foundation.

Pete is excited about expanding upon the potential the Chamber offers the Alaska business community. Pete lives in South Anchorage with his wife of 35 years and their two Champion French Bulldogs.

If you know someone who might be interested in membership? Contact Pete Nolan today at pnolan@alaskachamber.com and share your referrals.

Plan to Attend

2015 Legislative Fly-In* 
January 28-29, 2015
Juneau, Alaska

2015 Community Outreach Trip
June 24-26, 2015
Ketchikan, Alaska

2015 Fall Events:
Policy Forum and Annual Conference
October 13-14, 2015
Fairbanks, Alaska

*Registration is open now for the 2015 Legislative Fly-In. Register today at alaskachamber.com. Space is limited.
Alaska’s future depends on fiscal sustainability

By Rachael Petro
President/CEO, Alaska Chamber

The 2014 election is over; the incessant polling has ceased, as have the radio and TV ads. “Thankful” fails to adequately describe my gratitude. Alaska’s fiscal openness, Alas, my relief is temporary as reality sets in. This year Alaska voters sent many pro-business candidates to Juneau while adopting laws that may cause lasting, harmful consequences for Alaska businesses. By narrowly marging Alaskans sent new leadership to the U.S. Senate and to the Governor’s office. What this really means is that the work of the Alaska Chamber representing its disverse members has never been more important. Making Alaska the best place to do business is a full time job and your Alaska Chamber team works 24/7-365 to do just that. We care not who is in office. Business is bigger than any one individual, yet vital to the health of all Alaskans. The Alaska Chamber has a long history of putting Alaskans first — no election changes that. With the election behind us, we remain focused on helping elected officials make policy decisions that enhance business opportunities. Alaska’s future depends on a healthy economy. A healthy economy requires a good business climate. As the price of oil drops, it is more critical than ever to ensure the policies, regulations, and processes are geared at growing Alaska’s economy. We’ve spent the last few years figuring out the best way to fund the services of the State of Alaska — schools, roads, Medicaid, and troopers, to name a few. A real challenge given that the State’s budget — unlike mine or probably yours — has doubled in a decade. One of the Chamber’s top priorities for 2015 is supporting the reduction in State spending to sustainable levels. It was encouraging to see the Walker/Mallott Administration begin its Transition Conference with a panel presentation regarding Alaska’s fiscal situation. As oil prices look to stabilize well below $100 a barrel for the foreseeable future, necessitating lower unrestricted general fund spending, this position may be modified to conform to the fiscal realities of the day. The primary drivers of the State’s fiscal situation lie with formula-based programs, including Medicaid, education, and public and teacher retirement funds. Even with oil prices at the $100 mark, these programs were on an unsustainable path. Keeping fiscal realities in mind, expansion of Alaska’s Medicaid program must be carefully crafted so as not to exacerbate the State’s fiscal situation today or in the future. Even though Alaska businesses have prioritized safety resulting in fewer cases of on-the-job accidents, Alaska’s workers’ compensation costs are still among the highest in the nation. Another of the Chamber’s top priorities for 2015 is reforming Alaska’s workers’ compensation system to help Alaska businesses compete. Sorting out how the State can live within its means and reforming Alaska’s workers’ compensation system while getting injured workers’ back to work are key ingredients to improving Alaska’s business climate. So too are forward momentum of an Alaska gasoline project, gaining access to our resources, and becoming the first State in the union to successfully regulate marijuana like alcohol.

The real work of governing begins now, and you can be part of the solution. Join the Alaska Chamber as we continue our work making Alaska the envy of the nation. On Jan. 28 and 29, a group of 100 Alaska Chamber business leaders will be in Juneau for our annual Legislative Fly-In. During the Fly-In we will meet with new and re-elected policy makers, Legislative leadership, and members of the Walker/Mallott Administration to discuss our adopted positions and to let them know how decisions made in Juneau affect business statewide.
Message from the Chair: We’re all in the same boat

By Brad Osborne
Chair, Alaska Chamber

I don’t know about you, but I’m just about worn out from this crazy election season. Whatever your race of preference and candidate of choice were during the campaign, there is one thing we all share at the end of the day. We’re all in the same boat.

Our leadership in Juneau and D.C. is set and no matter what campaign promises were made along the way, the challenges awaiting them remain the same. Well… maybe with a few exceptions.

In the exhausted calm after the election, a new storm is building. It is the fall of oil prices. A global fall with global implications and Alaska is by no means exempt. Over the past four months, oil prices have dropped a surprising 30 percent. I say surprising, because both U.S. and International energy information agencies are rapidly rewriting their price projections and they’re doing so downward.

What does this mean for Alaska? With about 90 percent of our revenue coming from oil, it means we should be paying attention and preparing to control what we can.

Revenue is predominantly a function of two things: price and production. Production, to a large extent, we can control. The tax changes made under SB21 have moved us to a more competitive development position in the global market. Price, however, is something, which we have far less influence, let alone control.

So, revenue is dropping because of downward pressure on global oil prices. If we’ve made ourselves more competitive and we can’t dictate prices, are we lost? Is there anything left for us to do but stoically weather the low-price per barrel storm?

There is something we can do, and it’s something important enough that the Alaska Chamber membership and Board of Directors made it one of our top state priorities at our annual Policy Forum in Girdwood this past October. What we can do is control our spending.

There is another equation at work here. It’s the basic equation that establishes a sustainable state budget, and you do that by balancing spending against revenue.

In the recent gubernatorial campaign, both candidates argued their case for having the correct, fiscally conservative plan for a sustainable budget. Everywhere there was noise of belt-tightening and spending cuts. I remember hearing 5 to 15 percent across the board cuts in debates, but I think we’ll look back at those numbers as both enviable and easily attainable now.

We’ve made ourselves competitive. We’ve shored up the production capacity portion of the revenue puzzle. Now we need to make similar bold, brave decisions to exercise control over our fiscal policy.

There are obligations to be met. There are spending formulas, so entrenched as to be unsalvageable. But navigating life at $75 a barrel or less, or even worse, is going to require everything to be on the table. As the voice of Alaska’s business community — we have an obligation to be at that table.

Elections are over. Rest up… ‘cause it’s time to go to work.

WELCOME NEW MEMBERS

3M Alaska
3M captures the spark of new ideas and transforms them into thousands of ingenious products. 3M’s culture of creative collaboration inspires a never-ending stream of new technologies that make life better. 3M is the innovation company that never stops inventing. With $31 billion in sales, 3M employs 85,000 people worldwide and has operations in more than 70 countries. Learn more at 3m.com.

Alaska Fisheries Conservation Alliance, Inc.
The Alaska Fisheries Conservation Alliance (AFCA) works to conserve and protect species in danger of inadequate escapement, over-fishing, death-by-catch, and other threats that may jeopardize the future of Alaska’s fisheries. AFCA develops alliances with other groups, organizations and government agencies to develop effective solutions with shared benefits. Learn more at alaskafish.org.

Alaska Fisheries Development Foundation
Founded in 1978, the Alaska Fisheries Development Foundation (AFDF) is a collaboration of businesses, processors, and support sector businesses dedicated to making opportunities out of challenges. AFDF identifies problems common to the Alaska seafood industry and collaborates with coastal communities, research institutes and government agencies to develop effective solutions with shared benefits. Learn more at alaskafish.org.

Alaska Pacific Leasing Company
For over 30 years, Alaska Pacific Leasing has supplied the construction, oil and gas, mining, engineering, and research/development industries with vehicles and equipment from Southeast Alaska to the North Slope. Specializing in a wide range of GM vehicles, Peterbilt trucks and Caterpillar heavy equipment, Alaska Pacific Leasing offers competitive rates and locations in Anchorage and Fairbanks. Learn more at alaskapacific.com.

Mat Su Business Alliance
The Mat-Su Business Alliance (MBSA) is a voice of business in the Mat-Su Valley. MBSA serves as an resource to help articulate the Valley’s business needs and concerns when it comes to public policy. Every member MBSA takes an investment in a business-friendly economic environment and in fort the Valley. Learn more at matsubusinessalliance.org.

Northwest Strategies
Northwest Strategies (NWS) is an Alaska Native-owned full-service marketing, advertising and public relations firm. Since 1987, NWS has provided communications solutions that span the spectrum from social media to website development; from graphic design to radio and television production; from opinion research to media buying. Learn more at northweststrategies.com.

PACBLUE
Founded in 2002, PACBLUE specializes in workers compensation and disability claims through medical case management and vocational rehabilitation. PACBLUE’s services encompass all areas of medical case management, vocational rehabilitation, utilization review and medical bill review. Learn more at pacblue.com.

Pence Properties
Based in Anchorage, Pence Properties is real estate investment company. For more information contact Henry Penny at hpenny@pencok.com.

Poker Creek Gold Ltd.
Established in 1992, Poker Creek Gold Ltd. is located at Ketchikan, Alaska on Creek Street, a historic boardwalk perched on pilings along the banks of Ketchikan Creek in., and specializes in natural gold formations, gold nuggets and gold quartz. Learn more at pokercreekgold.com.

USTravel now operating as Corporate Travel Management
Beginning on Nov. 1, 2014, Alaska-based USTravel began operating as Corporate Travel Management (CTM). CTM’s North American operations now include 18 offices in seven states and over 370 of the best and brightest travel professionals ready to assist travelers.

CTM was established in Brisbane in 1994 by founder Jamie Pherous, and a team of just two staff. Since then, the company has grown to become one of Australia’s largest travel management companies and has been acknowledged by the Australian Federation of Travel Agents (AFTA) as the “Best National Corporate Travel Management Company in Australia” for nine of the past 11 years. In 2010, the company was inducted to AFTA’s Hall of Fame for excellence and continues this legacy in its North American operations.

CTM’s proven business strategy combines excellence in client service, advanced technologies and global buying power to guarantee client-driven solutions and savings for the business travelers needs.

We believe in community

Alaska’s diverse cultures, industries and lifestyles make each of our communities strong and vibrant.

First National Bank Alaska believes in lending a hand and working together. Our roots in Alaska are deep. Our commitment is unwavering.

We are Alaska’s community bank. We make fast, local decisions to help Alaskans succeed.

Learn how local knowledge and experience make the difference. Call 907-777-4362 or 800-456-4362.
The Conference and Policy Forum are some of the best attended of the Chamber's annual events, and this year was no exception. Business leaders from all corners of the state and partners from the Pacific Northwest met in Girdwood, Alaska, over the two-day event to set the Chamber's advocacy platform and to learn how to better tell the story of business. Members also took a rare moment to honor excellence in Alaska's business community.

The annual Policy Forum serves a critical role in the support of the Chamber's policy agenda. The daylong event is months in the making, with Chamber members and industry experts forming and refining the positions discussed at the forum.

It is a unique opportunity for business advocates from across the state and from every industry to come together to find common ground with one purpose: to enhance the business climate in our home state. It's not often that you'll get the seafood industry agreeing with the mining industry, or medical providers agreeing with insurance companies… but when they do, you can bet that the issue is of critical importance to Alaska.

Where the Policy Forum is specific to Alaska Chamber members, the annual fall Conference is an opportunity for anyone interested in Alaskan business to learn about the opportunities and challenges of our day.

In addition to specific industry updates, Chamber members turned their attention west and north to the Arctic and Alaska's coastal and offshore responsibilities. In 2015, the United States will once again chair the eight-member Arctic Council — a role we last held in 2000. The importance of sound Arctic policy (and the prominent roll demanded of Alaska) is difficult to overstate.

This is particularly true in that this increasingly accessible and valuable region is poorly understood. And as much as Alaskan's need to self-educate on Arctic issues, we have a responsibility to show leadership and to become a resource for the rest of the country. Arctic policy played a role in the annual Conference as it never has before a suitable follow-up to our outreach trip to Nome, this past June.

The annual events aren't only about planning and policy, however. This yearly gathering of Alaska's business elite is also an opportunity to relax, reflect, and honor the most exceptional among us. This year, Chamber members are proud to bestow three awards on an exceptional slate of recipients.

**William A. Egan Award**

The William A. Egan award is presented to individuals who have made substantial and continual contributions of statewide significance while working in the private sector. Roger Burggraf is the recipient of this celebrated and prestigious award. For decades, Roger has served Alaska, advising and advocating for many resource development efforts and organizations. He is a long-standing participant in the Alaska Miners Association and the Greater Fairbanks Chamber of Commerce.

**Bill Bivin Small Business of The Year Award**

Established in 1993, the Bill Bivin Small Business of The Year Award pays tribute to businesses that exemplify leadership, ethics and organization. This year’s recipient, Spawn, an independent advertising agency is known for its “work hard, play hard” culture that includes teamwork, fun and family friendliness.

**Local Chamber of Commerce of The Year Award**

The Greater Wasilla Chamber of Commerce is the recipient of the 2014 Local Chamber of Commerce of The Year award. The award recognizes consistent community involvement and excellent business reputation. Established in 2007, the Greater Wasilla Chamber serves one of Alaska’s fastest growing communities and is a growing force advocating before local, state and federal governments.
The Policy Forum and Conference are behind us. What remains now is diligent work on important issues in a challenging global environment of dropping oil prices. The Alaska Chamber is set to pursue this work. Poised, in fact, in a way that is made remarkable by the narrow focus adopted by the Board of Directors. This year, the Alaska Chamber has identified two state and two federal priorities from our comprehensive docket of policy positions ([link to advocacy page if this is used for online publication]).

Our complete advocacy agenda is available online, however, it’s fitting to close this article with the 2015 State and Federal Priorities (see more on page 7). You’ll be hearing plenty about these issues and more through the legislative session and throughout the coming year, and we hope you’ll join Chamber members in making these issues a priority for Alaska and Alaskans.

**State Priorities**
- Support comprehensive workers’ compensation reform
- Support reduction of spending to sustainable levels

**Federal Priorities**
- Oppose any further federal land withdrawals in Alaska, other restrictive land management designations, and preemptive actions by regulatory agencies
- Support Oil And Gas Exploration And Development In Alaska’s Federal Areas Including The Outer Continental Shelf (OCS), National Petroleum Reserve-Alaska (NPR-A), Cook Inlet, and The Arctic National Wildlife Refuge (ANWR)

To commemorate our 50 years in business, The Wilson Agency started a community initiative to raise $50,000 for Anchorage Project Access. Just one more way we bring benefits to life.

Significant community support helped us raise $55,823! At a 23:1 return ratio, the funds raised will provide over $1 Million of medical services to Alaskans in need!

Donations can continue to be made at www.thewilsonagency.com/help-us-raise-50000
You know what the world needs more of? Good news. That’s what. We have some of the good stuff and we’re proud to be able to share it with you.

If you’re not familiar with Alaska Business Week (ABW) — and you should be! — it’s the Alaska Chamber’s summer program, teaching entrepreneurship and business to high school students for every corner of the state.

The Chamber does important and timely work on the economic issues of our day, but ABW is a critical investment from today’s business community to the workers and employers of future generations.

Each year, dozens of students learn what it takes to start, manage and maintain a business. We’ve had the privilege to watch these young students learn and grow, but nothing is as exciting as seeing one of them take the entrepreneurial plunge. We’re showing young Alaskan’s what it takes to create their own companies, and their own jobs, and provide livelihoods to their neighbors.

But don’t take our word for it. How about we let Kate McWilliams, the owner and operator of Bethel’s newest boutique, Arctic Belle, tell you:

“ABW allowed me to develop my entrepreneurial skills and become confident in my own decisions. I made meaningful personal connections and also great friends. The atmosphere provided by ABW helped me immensely in fulfilling my dream of becoming an entrepreneur.

My mentor from the Chamber was a huge support when I told him about my idea. He read over my business plan and gave suggestions and offered to put me in touch with other entrepreneurs around the state. All the positive feedback I received fueled my motivation even more.

Even after the week was over and we all departed our separate ways, the friends I’d made during ABW texted me regularly, eager to hear how my business was going. I kept in contact with my mentor via social media. I had a fantastic experience, but at the same time, I couldn’t wait to get home and start implementing what I’d learned towards creating my business, Arctic Belle Boutique.

At these moments it was empowering to know that I had a foundation based on knowledge and desire. I’ve learned more about business than a textbook could ever offer, and opening the Arctic Belle is just the beginning of exploring my passion and potential.”

Congratulations and all our best to you, Kate. Chamber members… if you’re in Bethel, make sure to drop by and engage in a bit of local commerce!

The Huna Heritage Foundation (HHF) seeks a full-time Executive Director to perpetuate the Huna Tlingit culture by developing and implementing goals, objectives and administrative policies at the direction of the Board of Trustees.

Day-to-day management and administration of the HHF include, but are not limited to fund raising, financial management, and program management as well as successful completion of other duties as assigned. An opportunity exists for the work to be performed by the Executive Director in either Hoonah or Juneau, Alaska.

Qualified applicants may send their cover letter and resume to: hff.executivesearch@forakergroup.org. The first round of cover letters and resumes were reviewed on Nov. 20, however, the position will remain open until filled.

Alaska Business Week 2015

July 18 - 25, 2015

Alaska Pacific University
Anchorage, AK

Alaska Business Week is a one-week summer program teaching the basic principles of business and leadership to Alaskan high school students. Participants live on a college campus, where they compete as teams, mentored by Alaskan business leaders. The program is open to students finishing 9-12 grades.

Register online at alaskachamber.com/ABW
Alaska Chamber Positions adopted at the 2014 Policy Forum

Support reduction in state spending to sustainable levels (Updated)
The Alaska Chamber supports limiting total FY 2016 Unrestricted General Fund spending to $5 billion or less.

Support oil and gas exploration and development in Alaska’s federal areas including the Outer Continental Shelf (OCS), National Petroleum Reserve-Alaska (NPRA), Cook Inlet, and the Arctic National Wildlife Refuge (ANWR) (Updated)
The Alaska Chamber strongly supports oil and gas exploration and production in Alaska’s federal areas including the Beaufort Sea, Chukchi Sea, NPRA, Cook Inlet, and the 10-02 area of ANWR. The Chamber encourages Congress to enact revenue sharing for Alaska and local communities. The Alaska Chamber also encourages the Alaska Congressional Delegation, the Alaska Legislature and Governor to support and strongly advocate for responsible development of these valuable resources, while the Alaska Chamber commits to actively support and participate in the education and advocacy efforts to open these areas.

Support alternative certification for Alaska seafood (Updated)
The Alaska Chamber supports the Alaska Seafood Marketing Institute’s (ASMI’s) efforts to develop an alternative sustainability certification program to bring consistent criteria across the variety of fisheries, and reduce confusion and ongoing costs incurred in an increasing number of competing third-party certification schemes.

Support foreign and domestic private sector investments in Alaska’s natural resource and manufacturing industries
The Alaska Chamber encourages the State of Alaska to implement policies, programs, and regulations to encourage, support, and protect local, state, domestic and foreign private sector investments in Alaska’s natural resource and manufacturing industries.

Support in-state oil refining industry
In-state refining adds important diversification and value added processing to our Alaska economy. The in-state refining industry is currently challenged with high energy costs, terms of the State royalty oil sales contracts, quality bank provisions and environmental and operational regulations.
The Alaska Chamber encourages the Alaska State Legislature and Administration to develop and implement a comprehensive action plan to mitigate these impediments, thereby allowing for the preservation and expansion of in-state refining.

Support science-based Endangered Species Act listings and delisting
The Alaska Chamber supports efforts to delist species from the Endangered Species Act where sound science indicates ESA designation is either no longer warranted, or was never warranted. The Alaska Chamber opposes efforts to list species under the ESA where no conservation concern exists, where sound science is not the basis, or where the precautionary principle is utilized. Any effort to list species under the ESA must be based on sound scientific arguments, credible and reproducible studies, and economic analysis.

Support the reauthorization of the Federal Lands Recreation Enhancement Act (Updated)
The Alaska Chamber supports the reauthorization of the Federal Lands Recreation Enhancement Act to ensure that recreation fees collected on federal sites in Alaska are retained for reinvestment back to the site of collection.

Support equitable funding and appropriate use of Alaska’s 470 Fund
The Alaska Chamber supports equitable funding for the Oil and Hazardous Substance Release Response Fund (Alaska’s 470 Fund) and advocates for appropriate use of the fund.

Support diversification of Alaska’s economy including development of a robust mariculture industry
The Alaska Chamber supports the diversification of Alaska’s economy including development of a robust mariculture industry. The Chamber encourages the State of Alaska to engage with private sector investors, communities, and regulatory agencies in an effort to identify and remove barriers to development of a robust mariculture industry.

Support the Alaska Department of Labor Workforce Investment Board’s inclusion of the maritime industries as a priority industry
The Alaska Chamber supports the inclusion of the maritime industry sector as a priority industry by the Alaska Department of Labor, as provided for by the Workforce Investment Act (WIA). The Chamber encourages the State to engage with private sector investors, communities, and regulatory agencies in an effort to identify and remove barriers to development of a robust maritime industry and a qualified workforce for the industry.

Support community health center system organization as patient centered medical home
The Alaska Chamber supports efforts by the State of Alaska to enact structural reforms to the community health center system, which require organization as Patient Centered Medical Homes as long the implementation does not require new State appropriations.
Helping build businesses across Alaska

No matter what stage your business is in, Wells Fargo may be able to help you with the financing you need. We have lending options, including:

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- And more

Plus you’ll also have a dedicated business banker to help you along the way. By getting to know you and your business, our experienced business bankers can tailor options to help meet your specific financial needs.

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