



BUSINESS to BUSINESS

ALASKA CHAMBER

NOVEMBER
2018

From the President: Defeat of initiative a reason for optimism

By Curtis W. Thayer

Alaska Chamber President & CEO

Two weeks before the November election, I sent out a letter asking Alaskans to stand together against Ballot Measure 1. And boy, did we ever!

Many elections across the state were closely contested. In fact, as I write this, several important races remain too close to call. Still, I'm proud that Alaska Republicans and Democrats, liberals, conservatives, and progressives all know bad business when they see it.

In an election that had statewide voters narrowly defined along party lines, Alaskans united to oppose the latest poorly conceived resource initiative.

I can't remember seeing an initiative fail by such a wide margin. Thank you.

But ballot measures and public office weren't the only thing Alaska voted on recently. This October, Fairbanks hosted business representatives from across the state for the Chamber's fall events.

One important agenda item was establishing our 2019 advocacy platform. See page 6 for a full recap of new policy posi-

tions, successfully retired positions, and our 2019 state and federal priorities.

The Chamber's fall events are also a time to recognize some of the most impressive and inspiring members of the Alaska business community. This issue of Business to Business

2019 presents an interesting opportunity for leadership and responsible management of state government. One party leads the administration with majorities in both legislative houses; failure to successfully restructure state spending will be a serious

to work with our congressional delegation to realize the resource obligations promised to Alaska at statehood. While politics in D.C. increasingly polarize parties and incite pundits, work quietly proceeds on securing access to our natural resources and much-needed regulatory reform.

There is a lot of good work being done, and there is even more left to do. Today we have better access to state and federal mineral reserves. After years of education, advocacy and effort, we have legislation to begin reformation of our workers' compensation system. We have young people who are increasingly interested in creating their

own Alaska companies.

The future is bright for Alaska. If this election season shows us anything it is that Alaskans understand the importance of our economic resources, and we know how to manage them.

Thank you all for a successful 2018. I look forward to working with you and our incoming administration and legislature on all of our policy positions.

Curtis W. Thayer is lifelong Alaskan and serves as president and CEO of the Alaska Chamber.



THAYER

I'm proud that Alaska Republicans and Democrats, liberals, conservatives, and progressives all know bad business when they see it. In an election that had statewide voters narrowly defined along party lines, Alaskans united to oppose the latest poorly conceived resource initiative.

includes a complete listing of the 2018 Alaska Top Business Award winners.

For more than 50 years, the Chamber has recognized the Alaska men and women that exemplify business excellence.

This year's award winners are well deserving of inclusion on that enduring list of outstanding Alaskans.

Now we set our focus firmly on 2019. In particular, our sites are set on the upcoming legislative session. The states fiscal struggles continue to pull attention away from important issues like comprehensive workers' compensation reform.

indictment of that control.

The Alaska Chamber doesn't pick sides or endorse candidates for public office. Obviously, we hope that every elected official works to advance Alaska's economic health, irrespective of party affiliation or ideology. Regardless of who is in office, the work of the Chamber goes on.

Yet it's undeniable that voters have charged one party with a rare opportunity to right Alaska's fiscal ship. We should all support them in making that happen quickly and efficiently as possible.

On the federal level, we are continuing

From the Chair: Ballot measure process needs reform

By Cory Baggen

Board Chair, Alaska Chamber

Is it healthy for Alaska when public processes can tear apart communities? Should special interest petitions threaten lifelong friendships?

That's what I've witnessed during the last 10 to 15 years of ballot measure initiatives. Now, I just can't accept that polarizing campaigns that are long on confusion and short on accountability are what Alaskans want at the polls. It's not what I want.

Not anymore.

There was a time when I believed in Alaska's ballot measure process. Maybe I didn't agree with each individual initiative, but I was at least interested in a system that allowed Alaskans to unite behind common interests for the good of the state. But that isn't how our initiative process is used. Not these days.

I don't imagine Kenai wants my hometown of Sitka making decisions for us. That's why we rely on the strength of local government and elect only the best citizen representatives for issues of statewide impact.

These days, initiatives are used to subvert and confuse our representative process. A recent example is the 2014 tax initiative that spiked a wedge between Alaska industries and between residents and their employers. Thankfully, that initiative failed, and we've managed to reverse the decline of our oil and gas industry.

Resource management is burdened with a rigorous and

thorough permitting process. In truth, those processes can be frustratingly time-consuming and costly for those of us in business.

But as Alaskans, we want — we need — permitting processes that protect ourselves, our employees, and this state

for revision and amendment. It allows experienced professionals and subject matter experts to model scenarios and outcomes.

The ballot measure process subverts that powerful flexibility, demanding instead a now-or-never yes/no vote on complex issues that deserve more critical review.

Maybe it's time to review the ballot initiative process. In its current form, the initiative process has created confusion and strife. And while Alaska voters rarely pass resource initiatives, when we do it leads to tragically flawed public policy.

I recall the divisive cruise ship initiative of 2006 and how it took legislators years to dismantle it unintended consequences of that poorly

The latest attempt to rewrite Alaska's permitting process in the ballot booth has failed. And it did so by a startlingly dramatic margin. So what did the initiative accomplish? It weaponized our beloved fisheries in an attempt to redefine access and development throughout the state. It was designed to place well-intentioned Alaskans against each other in an emotionally misleading way.

we all love. The initiative process puts those permitting protections at risk.

The initiative process has failed Alaskans even on issues that have passed. Actually, it might fail most dramatically on issues that pass. I'm thinking of the marijuana legalization measure.

The Chamber opposed the ballot measure because of the disconnect between state and federal law which created extreme complications for workers and employers. Setting those business concerns aside, the initiative process advanced to what might be the worst and most confusing legalization example possible.

Had legalization proceeded through the legislative process, lawmakers could have cherry-picked the regulations that worked best for Alaska. The legislative process allows

crafted ballot measure.

It's very possible that some of our beautiful port cities are still recovering from the economic harm of that measure.

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The initiative process as its used now provides interest groups with the potential to cause great harm in our state. If Alaskans are going to come together to rewrite state policy, maybe we should start with a long, hard look at our ballot initiative process.



BAGGEN

OUR VISION & MISSION

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Welcome New Members

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Blumer & Associates

Blumer & Associates provides consultation in governmental affairs and lobbying services. Dianne Blumer, principal of the company, is a homegrown Alaskan with 26 years of executive and legislative experience. She brings an array of professional experience with executive and legislative branches of state government. Dianne has successfully provided professional governmental relations consulting and advocacy for 13 years. Areas of expertise include public policy, municipal government, healthcare, finance, and taxation. As a lobbyist, she represents numerous Alaskan cities and boroughs on capital projects,

municipal issues, taxes, local planning, and educational issues. She is skilled in analyzing public policy issues and implications when working with clients to achieve the best outcome.

Holland & Hart LLP

Launched at the start of 2017, Holland & Hart LLP opened their latest office in Alaska’s legal, commercial, and political hub of Anchorage. They advise clients on a wide range of transactional, litigation, and governmental legal issues, with particular emphasis in the energy and natural resources industries. A full-service law firm, Holland & Hart LLP has approximately 470 lawyers across eight states and in Washington, D.C. Visit them online at hollandhart.com.

The Dome

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Call (907) 770-3663 for field rental rates or visit them online at thedome.us.

Pilot Freight Service/Transmark Cartage Services

Pilot Freight Service/Transmark Cartage Services are dedicated to moving your freight in, around, and out of Alaska. Their Anchorage office opened in May 2017 to provide a local one-stop shop for all of Alaska. With over 46 years of combined experience their Alaska based staff has shipped it all, from fish to snowmobiles and everything in between. No shipments are too small or too large, we’ve got you covered. We provide ocean, air, and ground transportation throughout Alaska and the world.

University of Alaska Foundation

Established in 1974, the University of Alaska Foundation is a private nonprofit corporation, operating as a public Foundation to solicit, manage, and invest donations for the exclusive benefit of the University of Alaska. The Foundation has experience assisting donors in making gifts through trusts, bequests, life insurance policies and similar instruments and has the ability to provide such instruments to donors depending upon their needs. Visit them online at alaska.edu/foundation.

Alaska Chamber Membership FAQs

Q. What is the term limit of an Alaska Chamber membership?

A. Membership begins in the month that it is activated. It is good for a period of 12 months and is renewed each year.

Q. Who make up the membership body?

A. Chamber membership is as diverse as Alaska itself. Members range from large corporations to small businesses with one or two employees. They include non-profits, Alaska Native regional corporations, oil and mining companies, as well as environmental businesses. To view a list of current members, visit our Member Directory at alaskachamber.com.

Q. How is the Chamber organized?

A. The Chamber is governed by a volunteer Board of Directors who elect a Chairperson. There are four standing committees: Board Development, Executive, Finance, and Legislative Affairs. In addition, there are an Events, Local Chamber Outreach, and Membership committees.

Q. How can I become more involved in the Chamber?

A. The Chamber offers a variety of events throughout the year for business leaders from all corners of Alaska to connect. From the Legislative Fly-In to our Fall Forum, we bring together a broad cross-section

of business leaders and statewide policy-makers to our events. These events are great for networking, business development, and uniting policy issues important to business. You may also volunteer for a committee.

Q. What are the Chamber legislative priorities?

A. The Chamber’s legislative priorities are voted on by the membership at the annual Policy Forum. There are continuing positions both state and federal that are renewed each year. View a list of our current priorities and positions at alaskachamber.com.

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Association Health Plans: What are they and why is everyone talking about them?

By Alison Riggan
RISQ Consulting

“Health insurance.” Just reading those words can result in an audible sigh and elevated blood pressure, especially for small businesses.

Small businesses have a notoriously longstanding frustration with health plans due to the high costs and limited plan options associated with having a small risk pool.

What if I told you that small businesses may soon have ac-

cess to a variety of affordable and comprehensive health plans?

Enter Association Health Plans.

Association Health Plans (AHPs) are offered through employer groups and asso-

ciations, which permits small businesses, including sole proprietors, to band together to form a larger risk pool. This allows those businesses to see lower rates and a wider variety of plans that are typically only available to large employers. In addition to lower rates and more plan flexibility, there are other benefits associated with AHPs.

AHPs can pay primary over Medicare, eliminating the struggle of finding a doctor’s office that accepts Medicare. Plans offered within AHPs can also be more stable year to year than plans traditionally available to small businesses.

This is because members of the AHP are able to provide direction and influence in how they want the plans to change. Finally, because AHPs allow small businesses to offer their employees comprehensive ben-

efits, those businesses can compete with larger employers.

Under the Department of Labor’s new rule, AHPs can be formed based on a common geography as well as industry. This means that AHPs could be offered to employers in a specific industry or based in a city, county, or state. In other words, a law firm and a fishing charter located in Alaska can join the same association and both be qualified to participate in an AHP even though they are in different industries.

What does this mean for you? The Alaska Chamber is partnering with RISQ Consulting and Premera Blue Cross Blue Shield of Alaska, and is in the early stages of forming an AHP. Small business members of the Chamber will be potentially eligible to join this AHP. More details will be available in early 2019, so stay tuned!

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Association Health Plans A Better Way



The Alaska Chamber, RISQ Consulting, and Premera Blue Cross Blue Shield of Alaska are in the early stages of forming an Association Health Plan.



Congratulations to Alaska Chamber member and Governor-elect Mike Dunleavy on his victory in the Gubernatorial race! We look forward to working with him to improve the business climate in Alaska for the benefit of all Alaskans. Pictured here is Alaska Chamber board chair Cory Baggen with Mike Dunleavy at our Member Appreciation Reception.

Together we’ll go far



Celebrating 65 Years: Annual Conference and Awards a success in Fairbanks!



1. Alaska Chamber board member Caroline Higgins, Chamber board chair Cory Baggen, and board member and past chair Renee Schofield strike a pose at the Pre-Awards Gala Reception held at the Fountainhead Antique Auto Museum. 2. McDowell Group is the recipient of the 2018 Bill Bivin Small Business of the Year award. 3. Senator Pete Kelly presented a legislative citation recognizing the Alaska Chamber's 65th anniversary. 4. ConocoPhillips Alaska President Joe Marushack delivered a keynote address on the North Slope's renaissance. 5. Senator Lisa Murkowski, Senator Dan Sullivan, and Congressman Don Young are the recipients of the 49th State Public Service Award. 6. First National Bank Alaska is the recipient of the inaugural 2018 Rita Sholton Large Business of the Year award.



7. Charles 'Chuck' Brady is the recipient of the 2018 Chairman's Award. 8. Governors Frank Murkowski and Bill Sheffield are the recipients of the 2018 William A. Egan Outstanding Alaskan of the Year award. 9. Anchorage Chamber of Commerce is the recipient of the 2018 Local Alaska Chamber of Commerce of the Year award. 10. Nancy Murkowski is the recipient of the 2018 North Star Award. 11. One of the final gubernatorial debates drew a packed house at the Westmark Fairbanks Hotel and Conference Center.



By Alaska Chamber staff

Last month the Alaska Chamber hosted its annual conference in Fairbanks, Alaska. An important, historic year for the Chamber, 2018 marks our 65th Year Anniversary and we thank everyone who joined us in the Golden Heat City to celebrate it. This year's event brought business professionals of all industries and from across the state and beyond together to advance the economic health of Alaska. Conference attendees received updates on Alaska industries, the State's fiscal situation, and attended one of the final gubernatorial debates before the November election. The large group sessions combined with smaller breakouts provided diversity of content and opportunity to connect and meet new people. Additional highlights of the conference include the Pre-Awards Gala Reception, which was held at one of Fairbanks' premier attractions, the Fountainhead Antique Auto Museum, which showcases the heritage of the automobile in Alaska. Following

the reception was the Chamber's annual awards ceremony, the Top Business Awards Gala. This year the winners are: William A. Egan Outstanding Alaskan of the Year – Governors Frank Murkowski and Bill Sheffield; Rita Sholton Large Business of the Year – First National Bank Alaska; Bill Bivin Small Business of the Year – McDowell Group; Local Alaska Chamber of Commerce of the Year – Anchorage Chamber of Commerce; 49th State Public Service Award – Senator Lisa Murkowski, Senator Dan Sullivan, and Congressman Don Young; North Star Award – Nancy Murkowski; and Chairman's Award – Charles 'Chuck' Brady. The conference closed on Thursday following the annual Policy Forum and a keynote presentation from ConocoPhillips Alaska President Joe Marushack. All aspects of the Fall Forum met expectations and further propelled the Chamber on its' mission to promote a healthy business environment in Alaska.

2019 Legislative Policy Platform

The annual Fall Forum is a chance for Alaska Chamber members to gather and connect with like-minded peers, and celebrate the year's best businesses and professionals. The event also provides a venue to reaffirm the Chamber's policy platform during the Policy Forum.

The Policy Forum is the culmination of months of input from Alaska businesses and hardworking Chamber members. Each position is advanced by a chamber member, vetted through the Legislative Affairs Committee and adopted by vote of Chamber membership.

Positions Added

Chamber members adopted three new positions for 2019.

Support a meaningful cap on operating budget expenditures

The Alaska Chamber supports a reduction in State spending from the General Fund, excluding both the capital budget and Permanent Fund Dividend, from the previous fiscal year's spending level until the State reaches a sustainable level of spending. The Chamber board of directors also chose position as one of the Chamber's 2019 priorities.

Support U.S. Congressional efforts to secure viable, long-term solutions for the Federal Airport & Airway Trust Fund (Aviation Trust Fund)

The Alaska Chamber supports a way in which a viable, long-term solution can be found to secure FAA

funding for the Aviation Trust Fund. If allowed to expire without extension, the FAA would be unable to spend any revenues allocated from the Trust Fund for aviation safety and essential air services.

Support the Port of Alaska and its strategic importance

The Chamber supports the Port of Alaska as a piece of vital infrastructure for the economy of Alaska as well as its importance to our national defense.

Positions Removed

Chamber members elected to remove one position from the 2019 advocacy platform.

Support clarifying Alaska's credit scoring law

This was a state position that has been resolved by House Bill 195 passed during the 2018 legislative session. House Bill 195 was an act relating to insurer actions based on credit history and insurance scores at insurance policy renewal. It provides for insurer consideration of consumer requests for exceptions of credit history or insurance scores.

State and federal priorities

The Chamber board of directors has selected five top priorities from the 2019 policy positions – three state priorities and two federal priorities.

A full listing of the Chamber current policy platform is available online at alaskachamber.com.

The 2019 Alaska Chamber priorities

are as follows:

2019 State Priorities

Support reduction of spending to sustainable levels. The Alaska Chamber supports a reduction in spending from the General Fund, excluding both the capital budget and Permanent Fund Dividend, from the previous fiscal year's spending level until the State reaches a sustainable level of spending.

Support a meaningful cap on operating budget expenditures. The Alaska Chamber supports a meaningful cap on operating budget expenditures. With an ever-growing State operating budget, the business community will live in constant fear of large tax increases. Either a spending cap or a tax cap allows elected officials to make tough calls on spending. They work relatively well in many communities at the local level.

Support comprehensive workers' compensation reform. The Alaska Chamber supports enactment of systemic changes to the Alaska workers' compensation insurance statutes to reduce the cost of insurance for employers while emphasizing effective treatment programs that promote injury recovery and the return to full employment of injured workers.

2019 Federal Priorities

Support oil and gas exploration and development in Alaska's federal areas including; the Outer Continental Shelf (OCS), National Petroleum Re-

serve-Alaska (NPR-A), Cook Inlet, and the Arctic National Wildlife Refuge (ANWR). The Alaska Chamber strongly supports oil and gas exploration and production in Alaska's federal areas; including the Beaufort Sea, Chukchi Sea, NPR-A, Cook Inlet, and the 10-02 area of ANWR.

The Chamber encourages Congress to enact revenue sharing for Alaska and local communities. The 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 Chamber commits to actively support and participate in the education and advocacy efforts to open these areas.

Support reform of the Federal Patient Protection and Affordable Care Act. The Alaska Chamber supports reform of the Patient Protection and Affordable Care Act.

The Chamber thanks all of the speakers, sponsors, and attendees at the 2018 Fall Forum. In particular, we would like to especially thank the hard working members of the Legislative Affairs Committee and the members that advanced critical advocacy issues of statewide impact.

There are many tasks ahead, and regaining control of State spending remains Alaska's most pressing issue. The November election is a clear referendum to Juneau.

Alaska Business Week plans for spring and summer

By Andy Rogers
Alaska Chamber

Alaska Business Week (ABW) continues to expand offerings in new communities with daytime, 5-day camps.

ABW Executive Director Andy Rogers has set a goal to host the first ever off-the-road-system ABW camp in 2019. Locations and times will be announced before statewide students break for the holidays.

Bringing pro-business, entrepreneurship training to a new community takes financial and volunteer support. ABW camps teach Alaska young people how to run a company profitably and ethically, and this program is funded entirely by Alaska private sector businesses.

Is ABW making a difference? Yes! But don't take our word for it. Here is what our students and parents have to say.

"I am so happy to be participating in something like this. I am learning so many skills that are used in the real world that you can't learn in school. Thank you for this opportunity and what you have put together because it's teaching me more in one week than I learn in a semester of school." – ABW Student, Madison J.

"A hearty thanks to the ABW team! My son has been going non-hearty about how much he learned (and had fun while learning) this last week." – ABW Parent, John M.

You don't have to wait until camp season to get involved. Commit to sponsoring a student. Volunteer to mentor for the week or observe for a morning as a judge.

Contact Andy Rogers (andy@alaskabusinessweek.com) to help grow Alaska's next generation of business professionals.



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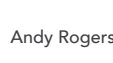
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Member Milestones



The Alaska Chamber would like to recognize the following Chamber investors celebrating milestone anniversaries this quarter. We appreciate their ongoing commitment to Alaska and their investment in the Chamber – together we are the voice of Alaska business!

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5 YEARS

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Arctic Slope Native Association
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NEA - Alaska
North Star Behavioral Health System
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LEFT: BRANDON SNOGRASS, CONSTRUCTION LOAN OFFICER. RIGHT: RYAN STRONG, EXECUTIVE VICE PRESIDENT



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