Legislative Fly-In: Juneau is All Business in 2017

Seventy-five Alaska Chamber business members gathered in Juneau, Alaska, on Jan. 25 for two days of meetings with state lawmakers and Gov. Bill Walker.

The importance of economic opportunity spans all industry and geographic boundaries. The Alaska Chamber’s Legislative Fly-In is a chance for businesses to approach policy makers with a statewide voice.

Prior to meeting with 59 of 60 state legislators, Fly-In attendees participated in briefings on priority issues like comprehensive workers’ compensation reform and State of Alaska fiscal issues.

The Chamber also hosted majority and minority leadership from both the House and Senate at the annual Legislative Leadership Luncheon.

Attendees participated in a candid Q&A session with Senate President Pete Kelly, Senate Minority Leader Berta Gardner and Speaker of the House Bryce Edgmon.

Other events included educational presentations from Angela Rodell, Chief Executive Officer of the Alaska Permanent Fund Corporation over breakfast, as well as Jim Jansen, Chairman of Lynden, and Keith Comstock, President and CEO of Juneau Hydropower, Inc. during the Alaska Business Roundtable Luncheon co-hosted with the Juneau Chamber of Commerce.

PHOTOS BY FRANK FLAVIN

COUNTER-CLOCKWISE FROM TOP: Alaska Chamber Board Members meet with Gov. Bill Walker while in Juneau for the largest Legislative Fly-In during session. House Speaker Rep. Bryen Edgmon, Senate Minority Leader Berta Gardner and Senate President Pete Kelly share their goals for session with Alaska Chamber members. Alaska Chamber members Dan Clark, Renee Schofield and Alaska Chamber Deputy Director Ben Mulligan meet with Sen. Kelly on our top priorities. Long-time business leader Jim Jansen, Chairman of Lynden, addressed Alaska Chamber members from around the state on Alaska’s fiscal future. “We can’t keep kicking the can down the road. Let’s be open for business.”

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OUR VISION & MISSION

To be the leading voice advancing Alaska Business. | To promote a healthy business environment in Alaska.
From the President: Stay active in new political landscape

By Curtis W. Thayer
Alaska Chamber President & CEO

Elections provide both challenges and opportunities for business advocacy, and this past election cycle significantly altered the political landscape — here at home and, of course, in Washington D.C.

The start of the legislative session always promises to be a busy time for the Alaska Chamber, and this year is certainly living up to that expectation.

On behalf of myself and the Chamber’s board of directors, thank you for being active, involved partners in crafting Alaska’s economic future. You’ll see the fruits of that ongoing effort in these pages as well as information on how you and your company can become more involved in 2017.

In this issue of Business to Business we’ll wrap up the Chamber’s annual Legislative Fly-In. We’ll introduce some new faces at the Chamber, a new staff member here in the office and business leaders who are stepping up to serve Alaska as Chamber board members.

We’ll catch you up on our ongoing efforts to reform Alaska’s broken workers’ compensation system. It’s also time to start planning for the upcoming Community Outreach Trip to Homer, for the Alaska Business Week 2017 program, and the business community’s Fall Forum.

Before we dig into those topics, I want to briefly touch on what’s moving in Juneau and in Washington, D.C., so far this year.

As we moved deeper into the new presidential administration we’re starting to see how key appointments are going to impact national energy policy, economic development, and access to our communities and natural resources here at home. We’re working with our federal delegation and like-minded trade associations to ensure that the economic needs of Alaskans are heard in our nation’s capital.

We will keep you informed as these national movements progress, and be prepared to help craft Alaska’s path forward. Federal regulation, permitting and control of Alaska lands are large barriers to development here at home. We must all be prepared to speak up for Alaska when public comment periods open.

There are those who would like to see Alaska forever locked away. But no one has a greater interest in caring for this state than the Alaskans who live, work and play here. I think that’s why the Chamber sends out the call, be prepared to speak up for Alaska’s future.

Chamber members; watch your inbox for Capitol Notes, our weekly legislative update during session on business issues here at home. We will be tracking the budget process and proposed uses of the Permanent Fund, ensuring the state’s fiscal house is in order before pursuing new revenue measures.

There are also a handful of important business issues at play in Juneau right now. You can follow along with all legislation that applies to Chamber priorities and positions in the Advocacy section at alaskachamber.com.

Fly-In: Continued from Page 1

By Casey Sullivan
Board Chair, Alaska Chamber

History, so I am told, is written by the victor. I believe it’s always wise to learn the lessons that history has to teach, but businesses don’t live in the past.

In business, our focus is instead on today and on all of our tomorrows. The hand of victors may pen history, but our future is written by those who show up.

Alaska Chamber members show up. 2016 was a great year for bad stats. I’m not going to focus on the negatives here. Declining job markets, fiscal deficits and the like are well covered in the media, and the Chamber is a vocal advocate for pro-business solutions to these statewide challenges.

Instead I want to point out one positive trend from 2016. And that’s growth in Alaska Chamber membership. At a time when advocacy groups, trade associations and non-profit groups in general are struggling, the Chamber is welcoming business leaders who want to help ensure Alaska’s economic health.

The question is, why? And given the widely publicized uncertainty with the State’s public policy, why now?

Throughout my career, I’ve made an effort to stay involved in the larger business community. Still, serving as board chair this past year has given me more opportunity than ever to speak with business professionals from all parts of the state.

These are the Alaskan men and women who create jobs and build our state in a very literal way. In these meetings, I make a point to ask people why they get involved. They realize that it’s easy to ignore what’s going on in the world when everything is going well. They realize that it’s critical to have a seat at the table, and make sure local, state and federal levels have much greater impact on business when times are tight.

And they realize that the best time to build partnerships and form alliances is before times get tough.

Chamber members don’t just read about what the Governor or is doing in Juneau, last month we went to his house for a face-to-face discussion about what Alaska businesses need.

We don’t wonder if our congressional delegates are aware of our concerns. We know our voice is heard because they’re coming to us for information. The Chamber is the venue for those discussions.

The future is written by people who make an effort to get involved — and those who show up.

Right now Alaska Chamber members are showing up for Alaska.

Long-time Chamber member Capital Office again hosted the annual Legislative Reception allowing attendees from around the state to meet with Juneau businesses, legislators and legislative staff in a less formal setting.

Gov. Walker once again welcomed Chamber members to a reception at the Governor’s Residence on Calhoun Avenue. Fly-In attendees spent the evening with Walker and members of his staff before returning to businesses in all corners of the state.

An annual event, the Chamber’s Fly-In is an ideal opportunity for first-time guests to the Capitol to meet with legislators in the company of fellow business professionals.

It’s also an opportunity for long-time members to stand arm-in-arm with the Alaska business community.

It is not, however, the only opportunity to be involved. Business advocacy is a year-round activity.

Look for invitations to upcoming Chamber events in your Inbox and online at alaskachamber.com.

And follow the Chamber’s priorities and positions in the weekly Capitol Notes throughout the legislative session.

Fly-In:

• COMMUNITY OUTREACH TRIP

• Homer, Alaska •

Save the date to join your fellow Alaska Chamber members for our 2017 Community Outreach Trip to Homer, Alaska — the “Halibut Fishing Capital of the World!” Space is limited. Watch for registration and sponsorship opportunities at alaskachamber.com.
Welcome New Members

Alaska Department of Labor and Workforce Development
The Alaska Department of Labor and Workforce Development is committed to providing safe, legal working conditions and advancing opportunities for employment in Alaska. Find job and training opportunities at labor.alaska.gov.

Alaska Telephone Association
Founded in 1949, the Alaska Telephone Association supports their member companies as they provide advanced telecommunication services across some of the most remote, spectacular places on Earth. Visit them online at alaskatel.org.

Big Lake Chamber of Commerce
A voluntary partnership between business and the Big Lake community, the Big Lake Chamber of Commerce works to create and sustain a healthy economic base for the Big Lake area. Visit them online at biglakechamber.org.

Cook Inlet Tug & Barge
A marine transportation company, Cook Inlet Tug & Barge specializes in harbor services with a primary marketing focus on the Port of Anchorage and Cook Inlet. In 2011, the company was purchased by Foss Maritime Holdings, Inc. Visit them online at cookinletlug.com.

Five Element Acupuncture
Jennifer Jollife, L.Ac. of Anchorage, Gina Bosnakis & Associates specializes in harbor services with a primary marketing focus on the Port of Anchorage and Cook Inlet. In 2011, the company was purchased by Foss Maritime Holdings, Inc. Visit them online at cookinletlug.com.

Gina Bosnakis & Associates
Located in Anchorage, Gina Bosnakis & Associates is a health insurance agency known throughout the state as a pioneer of using Health Reimbursement Arrangements (HRA’s) as a vehicle for small Alaskan employers to have control over their insurance plan design and its costs. For more information email gina@ginabosnakis.com or call 1-888-533-9669.

Haines Chamber of Commerce
The mission of the Haines Chamber of Commerce is to promote economic growth that contributes to the local quality of life by: advocating the interests of its membership to community and government organizations, facilitating cooperative programs that provide the resources necessary for business, and educating its members and the community on the importance of a sustainable economy. Visit them online at haineschamber.org.

Land’s End Resort
Perched on the water’s edge overlooking Kachemak Bay, Land’s End Resort is the premier oceanfront resort. The only hotel on the Homer Spit, Land’s End hosts a variety of rooms, as well as beachfront homes for rent. This is a destination not to be missed! Visit them at online at land’s-end-resort.com.

Lyft
Based in San Francisco, California, Lyft is a transportation network company with operations in 200 cities in the United States. It develops, markets, and operates the Lyft software application, which allows consumers to request car transportation via the Lyft mobile app. It also allows drivers to earn income from delivering food or transporting passengers. Lyft drivers use their own personal cars, although drivers can rent a car to drive with Lyft. To see a list of cities they’re currently in, check out lyft.com/cities.

OTW Transportation
Locally owned and operated, OTW Transportation specializes in coordinating shuttle services for hotels to help ease the frustration and operation of everyday operations. Whether it’s a hotel, school district or business building, you can count on excellent service from OTW. Visit them online at otwalaska.com.

Phillips Publishing Group
Since 1974, Phillips Publishing Group has served the maritime, tourism and municipal communities, specializing in the publication of newspapers and magazines, as well as developing and managing conferences and events for these markets. Visit them online at philipspublishing.com.

Senator Bert Stedman
A fourth generation Alaskan, Senator Bert Stedman was raised in Petersburg and Sitka, and worked in commercial fishing and construction. After receiving a business degree from the University of Oregon he founded Pioneer Capital Management, a Sitka investment firm. He was first appointed to the Senate in 2008 by Governor MKNukin and elected in 2004. In 2014, the Senator was appointed to the National Petroleum Council by the Secretary of Energy. He resides in Sitka with his wife Lureen. Visit him online at bertstedman.com.

TDX/Tanadgusix Corporation
Founded in 1973, TDX/Tanadgusix Corp. is a shareholder-owned Alaska Native village corporation whose mission is to responsibly manage and protect the land and assets of the corporation for the shareholders by maintaining a financially strong, independent and diversified corporation. Visit them online at tanaq.com.

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For us, banking has always been about people and helping Alaskans succeed. For the rest of Dr. Gay’s story, visit FNBAlaska.com.

Save the Date
PLAN TO ATTEND!

2017 Community Outreach Trip
June 13-15, 2017
Homer, Alaska

2017 Member Appreciation Reception
July 24, 2017
Anchorage, Alaska

2017 Fall Forum
October 10-12, 2017
Sitka, Alaska

Mark your calendars and check our website for upcoming details at alaskachamber.com.
Making progress on Workers’ Compensation Reform

By Ben Mulligan
Deputy Director, Alaska Chamber

Since last year a lot has happened with the Alaska Chamber’s efforts to move forward with comprehensive workers’ compensation reform. The Workers’ Compensation Committee met several times and eventually decided upon a package of reform measures. The ideas were presented to the full membership of the Alaska Chamber at the 2016 Fall Forum in Kenai, Alaska. With their consent we have moved forward and found a benefactor for our reform package in Sen. Cathy Giessel, and are now in the process of getting our ideas drafted into legislation.

There are a lot of great reform measures in the Chamber’s overall reform package, but there are a few that will especially make a difference. As you already know healthcare in Alaska is extremely expensive. That is particularly true for healthcare as it pertains to workers’ compensation. Alaska ranks fifth in the nation for having the highest workers’ compensation premiums with 74 percent of each dollar going to medical benefits.

We are hopeful that with the implementation of evidence-based medicine (EBM) treatment guidelines costs will go down. The current dispute resolution/legal process could also use improvements and efficiency measures enacted.

The Chamber believes that by moving many aspects of this process to the administrative law judges at the Office of Administrative Hearings we will not only see improving efficiencies in the process, but have the hearings handled by an entity who has an exemplary track record for effectiveness and fairness.

Lastly, revamping the reemployment benefit system so that an injured employee would utilize a voucher for their vocational rehabilitation would maintain their current abilities to seek rehabilitation while ensuring payment of actual rehabilitation costs, and not just paying out a lump sum.

We’re hopeful that legislators will see that what we’re putting forward will improve the overall workers’ compensation system in Alaska while also saving the State some money.
Alaska senators take input on fixes for Affordable Care Act

By DJ Summers
Alaska Journal of Commerce

Alaska's senators know the Affordable Care Act has not lived up to its name in the state, but they aren't willing to toss the baby out with the bathwater just yet.

Over the last week, Sens. Lisa Murkowski and Dan Sullivan addressed lawmakers and business leaders about the controversial healthcare provision, taking a softer tone of "repair" rather than the bipartisan call of "repeal" some of their Republican fellows take.

Sullivan dropped by the Anchorage Petroleum Club on Feb. 22 to talk about his intent to follow Republicans in voting to repeal the Affordable Care Act, or ACA, but not to the extent many of them might want.

Alaska's重新宣布 health costs drive the discussion as much as anything, Sullivan highlights Alaska's size and remoteness, its relatively small number of providers, the lack of transparency of medical procedure prices and overall pharmaceutical prices as issues he wants to find ways to address.

"It's not a one-size-fits all thing," Sullivan said. "What I've been doing since I've been home is meeting with as many stakeholders as I can, literally hundreds and hundreds of Alaskans, some people who think the ACA is great, others who think it's horrible, and some are somewhere in between.

The meeting was packed mostly with the people who think it's horrible, while outside the Anchorage Petroleum Club protestors packet Sullivan's semi-closed meeting. Members of the press were only to report on the condition that they not identify audience members by name to facilitate an "open discussion."

For a state in a recession, officials say ACA is putting a chill into business owners at a time when the state needs growth. Among other problems, the room full of business owners talked of a general feeling of fear — of not being able to make insurance requirements pencil out for their bottom lines.

"What we've heard is more general," explained Lori Wing-Heier, director of the Alaska Division of Insurance. "Businesses are afraid to hire people. They've probably laid more people off. In starting up a business one of their concerns is with cost of healthcare. What are some of the impacts if you're to start a business?"

Though the business crowd had concerns, Sullivan addressed the larger theme of how unaffordable health care is in Alaska under the Affordable Care Act.

"Doing nothing on this right now would not be responsible," Sullivan said. "The Alaska market is in chaos, ground zero for failure, because of the ACA. Premiums have tripled, deductibles are at $12,000, $13,000, for a family of husband and wife, with two kids making $75,000 a year. Some people are literally having to fork out $30,000...that's not affordable care."

Alaska's new Medicaid enrollees are already costing more than what economists predicted they would. Centers for Medicare and Medicaid Services reported to Congress that Medicaid expansion enrollees cost $6,366 per person for fiscal year 2015 (ended last Sept. 30), about 49 percent higher than estimated.

Like many other rural states with sparse populations, Alaska's results from the ACA have been mixed at best. Alaska's new Medicaid enrollees are already costing thousands more than what economists predicted they would. Centers for Medicare and Medicaid Services reported to Congress that Medicaid expansion enrollees cost $6,366 per person for fiscal year 2015 (ended last Sept. 30), about 49 percent higher than estimated.

The ACA has had other unintended consequences for Alaska. In May 2016, the Legislature bailed out an insurance provider Premera Blue Cross Blue Shield of Alaska with a $55 million reinsurance bill.

Wing-Heier said the law also known as Obamcare hasn't been all bad for the state.

"You've got to look at the ACA in entirety," she said. "Like Sullivan, Wing-Heier points to the expanded coverage class as a benefit. Around 26,000 Alaskans now have access under Medicaid expansion.

"The number in the individual market with the high cost claims, probably 600 to 700 people in the entire market that if we were underwriting today wouldn't be able to get insurance," she said. "They have a cancer, they have preexisting conditions. For that population, it's been a success."

That population affects the conversation. Nationally and in Alaska's delegation, ACA reform comes in two flavors: outright repeal, or a more targeted, piecemeal approach that keeps some of the benefits — strategy Sullivan favors.

"I'm going to press to retain certain things," he said. "Staying on parents' insurance until the age of 26, coverage for people with pre-existing conditions. That's why I'm referring to this as 'repair and repair,' not replace."

Sullivan's stance reflects that of Murbowski, who told the Legislature on Feb. 22 that she wouldn't vote on broad or poorly thought out ACA repeal process. Like Sullivan, Murkowski acknowledged that coverage for children under 26 and for people with preexisting conditions was a boon to the state, and wouldn't support measures that would strip those parts of the ACA.

She also told the Legislature she would support Medicaid expansion if it did.

To this end, Wing-Heier said the Division of Insurance is holding extensive talks with Sullivan and Lisa Murkowski and Rep. Don Young about the several pieces of ACA-related law being introduced in Congress by reform-minded Republicans.

"All three of them realize that there's impacts to replace and repeal, and have gone more to a repair," she said. "What's the impact to Alaska, yea or nay, good or bad."

Wing-Heier said the Division of Insurance thoroughly analyzed the proposals of Sens. Bill Cassidy, R-La., and Susan Collins, R-Maine, and House Speaker Paul Ryan.

The Cassidy-Collins bill makes more structured reforms, while Ryan's bill approaches a repeal, which Wing-Heier says does not suit Alaska's needs.

President Barack Obama's Affordable Care Act, or ACA, expanded Medicaid eligibility in 2014. More than 4.3 million additional Americans now qualify, for a total of 64 million. By 2024, state and federal governments will spend $920.5 billion on the program, at which time 77.5 million people will get coverage.

The expansion covers 41,910 low-income Alaskans from 19 to 64 years of age who were previously not eligible for Medicaid — those not caring for dependent children, not disabled or pregnant, and who earn at or below 138 percent of the Federal Poverty Level, or FPL, for Alaska.

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Join our Northwest partners, the Tacoma-Pierce County Chamber of Commerce, in the nation’s capital for their 32nd Annual Washington-To-Washington, D.C. Conference on May 16-18 on issues facing our regions. Learn more or register online at tacomachamber.org.
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