Office of the Governor





OFFICE OF MANAGEMENT AND BUDGET Donna Arduin, Director

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March 13, 2019

Representative Neal Foster, Co-Chair House Finance Committee State Capitol, Rm 505 Juneau, AK 99801

Representative Tammie Wilson, Co-Chair House Finance Committee State Capitol, Room 511 Juneau, AK 99801

Dear Co-Chairs Foster and Wilson,

Below, please see the responses to questions asked during the Office of Management and Budget's presentations to the House Finance Committee on February 21 and 28, 2019.

1. Representative Sullivan-Leonard: What is the cost per WWAMI Student?

Please see the attached fact sheet on the Washington, Wyoming, Alaska, Montana, and Idaho (WWAMI) program titled: *WWAMI Fact Sheet Final 2018*.

2. Representative Sullivan-Leonard: Please provide additional information on the rural airports change in the FY20 Amended Budget proposal.

At this time, the Department of Transportation and Public Facilities does not have a list of airports being considered for closure under the FY20 Governor's Amended budget proposal. The department is currently working to meet the governor's directive to analyze options available for reducing the number of public airports owned and operated by the State of Alaska, with the intent of reducing the State's financial obligation and/or liability. Potential options include, but are not limited to the following: divestment, transfer, reclassification, closure, and long-term leasing. The department recognizes the critical lifeline that aviation brings to many remote communities and will be working with the aviation stakeholder groups and the public to assess all transportation modes available and identify potential aviation options. A report detailing options available, recommendations, and potential cost savings will be submitted to Governor Dunleavy and the Office of Management and Budget by June 1, 2019.

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3. Representative Wilson: Is the Division of Motor Vehicles' REAL ID fee set appropriately compared to the fee for a non-federally compliant license or identification card?

The fee of a REAL ID was established in 2017 through the passage of HB16. The Act amended statute to require the Division of Motor Vehicles (DMV) to charge \$20 in addition to the normal fee for any federally-compliant identification card. For example:

- Driver's license fee (\$20) + REAL ID fee (\$20) = \$40 for a REAL ID license
- Identification card fee (\$15) + REAL ID fee (\$20) = \$35 for a REAL ID identification card
- Commercial Driver's License (CDL) fee (\$100) + REAL ID fee (\$20) = \$120 for a REAL ID CDL
- Senior ID (\$0) + REAL ID fee (\$20) = \$20 for a Senior REAL ID

HB16 also amended state statute to extend driver's license validity from five years to eight years.

The DMV began issuing the optional REAL ID cards in January 2019. Over eight weeks, approximately 13,000 cards were produced. This constitutes about two percent of all cards in circulation. Since January 2019, about 36 percent of Alaskans have chosen the REAL ID option.

The DMV anticipates the demand for REAL ID cards to increase leading up to October 1, 2020. On this date, federal entities will no longer accept non-compliant forms of identification for Alaskans attempting to access federal facilities or board commercial aircrafts.

Given the small data sample size to date, and that the State is still operating under a waiver presumably until October 1, 2020, it is premature to make a conclusion differing from the analysis provided within the HB16 fiscal note.

4. Representative Wilson: What measures is the DMV taking to ensure secure delivery of driver's licenses given the possibility of theft through use of the United States Postal Service?

The DMV is exploring an option for Alaskans who have had mail stolen or have a transitional housing issue to be able to pick up licenses and ID cards at a DMV office. The DMV is working on the programming and internal process and aims to have a process in place this summer.

5. Representatives Foster, Ortiz, and Wilson: Provide a listing of grantees receiving public broadcasting radio and television grants. Also include the amount of other sources earned by stations and the impact to federal funding if the State grants were reduced.

Please see attachments provided by the Public Broadcasting Commission titled: *APBC FY2019 Operating Grant Allocations, Public Broadcasting Funding in Alaska - Impacts of 100% Reduction in State Funding, and ARCS and the Satellite Service Information.* Co-Chairs Foster and Wilson March 13, 2019 Page **3** of **3**

Please let me know if you have additional questions.

Sincerely,

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Donna Arduin, Director Office of Management and Budget

Attachments

- 1. WWAMI Fact Sheet Final 2018
- 2. APBC FY2019 Operating Grant Allocations
- 3. Public Broadcasting Funding in Alaska Impacts of 100% Reduction in State Funding
- 4. ARCS and the Satellite Service Information

cc: Ms. Suzanne Cunningham, Director, Governor's Legislative Office
Mr. David Teal, Director, Legislative Finance Division
Ms. Kelly Tshibaka, Commissioner, Department of Administration
Ms. Cheri Lowenstein, Administrative Services Director, Office of Management and Budget
Dr. Michael Johnson. Commissioner, Department of Education and Early Development
Ms. Heidi Teshner, Administrative Services Director, Office of Management and Budget