



THE STATE  
*of* **ALASKA**  
GOVERNOR MIKE DUNLEAVY

**Office of the Governor**

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February 18, 2020

Senator Bert Stedman, Co-Chair  
Senate Finance Committee  
State Capitol, Rm 518  
Juneau, AK 99801

Senator Natasha von Imhof, Co-Chair  
Senate Finance Committee  
State Capitol, Room 516  
Juneau, AK 99801

Dear Co-Chairs Stedman and von Imhof,

Below, please see the responses to questions asked during the Office of Management and Budget's presentations to the Senate Finance Committee on February 6, 2020.

1. *Senator Stedman: Please outline the State accounting process for Federal reimbursements.*

When the State receives a grant, award, or entitlement allowing for claim of federal revenues, associated costs are tracked through specific revenue codes and program codes in the State accounting system. As federal funds are committed against these grants, agency accountants enter encumbrances into the State's accounting system to ensure that a program's budget is not overspent. Program managers are tasked with ensuring that charges meet the requirements for federal reimbursement. Invoices and payroll associated with these charges are paid out of the state treasury in anticipation of reimbursement. Depending on the specific grants requirements, requests for reimbursement are sent weekly, monthly, or quarterly to the federal government. Once these requests are approved and payment is remitted to the state, the treasury is repaid and the revenue collected is recorded in the accounting system.

2. *Senator Hoffman: Please provide the beneficiary growth in the Medicaid program from 2015 - 2020 by geographic location.*

Please see the attachment titled: *AKDHSS Enrollment Geo Data*.

3. *Senator Stedman: Please provide the geographical distribution of Medicaid beneficiaries from 2000-2020.*

Please see the attachment titled: *AKDHSS Enrollment Geo Data*.

4. *Senator Wielechowski: Please provide detail on the public hearing process relating to the voter initiative process.*

Under AS 15.45.195, “at least 30 days before the election at which an initiative is to appear on the ballot, the lieutenant governor or a designee of the lieutenant governor shall hold two or more public hearings concerning the initiative in each judicial district of the state. Each public hearing under this section shall include the written or oral testimony of one supporter and one opponent of the initiative.” These hearings could occur in FY20 and/or FY21 depending on which ballot either appears on.

5. *Senator Wielechowski: Please provide a breakout of the \$215.4 request for the Division of Elections, voter initiative review, certification, and language translation.*

The supplemental request covers two initiatives that may appear on this year's primary or general election ballot: 19OGTX, Alaska's Fair Share Act; and 19AKBE, Alaska Better Elections Initiative. It provides the funding needed by the Division of Elections to review signatures and certify each initiative during FY20. Funding also provides for translation of the ballot measure language into 11 languages for audio and sample ballots, Official Election Pamphlet pro statement, Official Election Pamphlet con statement, and Official Election Pamphlet neutral summary, as required by the Toyukak Settlement and Section 203 of the Federal Voting Rights Act during FY20 and FY21.

- The statement of costs for each initiative provided the following descriptions:
  - Voter Initiative 19OGTX, Alaska's Fair Share Act—FY20 Supplemental with 6/30/21 lapse date: \$96.1 UGF

- The cost to the Division of Elections associated with certification of Voter Initiative 19OGTX, Alaska's Fair Share Act is estimated to be \$96.1 UGF.

Estimate by Category

Personal Services	\$60.6
Printing Services	\$1.3
<u>Language Assistance</u>	<u>\$34.2</u>
TOTAL	\$96.1

- Six temporary employees will be required to review signatures for 2,520 hours at an estimated cost of \$44.6, and certification of the initiative application and review of the initiative petition estimated for 504 hours will cost an estimated \$16.0. Printing service expenses associated with certification of the initiative application and review of the initiative petition will require \$1.3 for the printing of voter booklets.
  - The estimated cost of translating the ballot measure language for audio and sample ballots, Official Election Pamphlet pro statement, Official Election Pamphlet con statement, and Official Election Pamphlet neutral summary into 11 languages, as required by the Toyukak Settlement and Section 203 of the Federal Voting Rights Act, will cost an estimated \$34.2.

- Voter Initiative 19AKBE, Alaska Better Elections Initiative—FY20 Supplemental with 6/30/21 lapse date: \$119.3 UGF

- The cost to the Division of Elections associated with certification of the initiative application and review of the initiative petition is estimated to be \$119.3 UGF.

Estimate by Category

Personal Services	\$60.6
Printing Services	\$1.3
<u>Language Assistance</u>	<u>\$57.4</u>
TOTAL	\$119.3

- Six temporary employees to review signatures (estimated at 2,520 hours), and certification of the initiative application and review of the initiative petition (estimated at 504 hours). Estimated cost: \$60.6.
- Printing service expenses associated with certification of the initiative application and review of initiative petition. Estimated cost: \$1.3.
- Translating the ballot measure language is needed for audio and sample ballots, Official Election Pamphlet pro statement, Official Election Pamphlet con statement, and Official Election Pamphlet neutral summary into 11 languages, as required by the Toyukak Settlement and Section 203 of the Federal Voting Rights Act. Estimated cost: \$57.4.
- If the ballot measure is approved, future costs will include acquisition of new ballot tabulation equipment and voter education.

Because these activities will occur in both FY20 and FY21, a 2020 supplemental with a June 30, 2021 lapse date is requested.

6. *Senator Wielechowski: Please provide a breakdown of the \$6,000.0 request for the Alaska Psychiatric Institute.*

This request includes funding to provide services to patients when the Alaska Psychiatric Institute (API) is unable to hire staff. API has had to contract with Locum Tenens and other providers to ensure the proper care for the patients and those awaiting forensic evaluations. In order to ensure the safety of patients and staff, API had to increase coverage with a security company to provide campus security. API continues to contract with Wellpath to maintain the stability of operations at the hospital and maintain compliance with all regulatory authorities to ensure the hospital is able to collect federal revenues and serve patients.

7. *Senators Olson and Stedman: Please provide the information in relation to the agreement between the Administration and the village of Utqiagvik for the reopening of the District Attorney's office and where the cases are currently being handled.*

Attached, please find a copy of the agreement between the North Slope Borough and the Department of Law titled: *MOU of NSB and AK to fund Utqiagvik DA*. This agreement was signed in early November 2019. Since the closure of the office in FY16 and until the new positions are filled, the Fairbanks District Attorney's office continues to serve Utqiagvik.

8. *Senator Wielechowski: Please provide the number of vacancies and filled positions within the Village Public Safety Officer (VPSO) program.*

There are currently 43 positions filled and 5 positions unfilled. This does not include the 10 VPSO Coordinator positions funded by the program. Of the 43 filled positions, 9 have not yet received any training and are scheduled to attend the Academy in Sitka beginning February 23<sup>rd</sup> (historically, there is a low completion rate of the training which would suggest that less than 50% of the attendees will complete the training). Thirty-four VPSOs are currently operational in Alaskan communities. Also below are the last several years' turnover rates and end-of-year filled positions by budgeted positions.

FY	FY PCN Begin	FY PCN End	FY Separations	Turnover %
FY16	61	50	33	59%
FY17	50	47	29	59%
FY18	47	55	24	47%
FY19	55	41	20	41%
			5 yr Average	53%

Fiscal Year	VPSO Budgeted Positions	VPS Filled Positions
FY16	78	61
FY17	72	50
FY18	71	47
FY19	86	41

9. *Senator Olson: What on-going efforts is the Administration engaging in relating to the VPSO program?*

Please see the attachment titled: *Senate Finance Response – VPSO Program*. Also included is the attachment: *FY20 Master Grant Agreement*.

10. *Senator Hoffman: Please provide the list of repealed projects being deposited into the General Fund.*

**DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT.**

(1) sec. 1, ch. 5, FSSLA 2011, page 32, lines 15 - 18 (Department of Commerce, Community, and Economic Development, Hooper Bay, boat harbor landing geotechnical drilling and reconnaissance - \$200,000), estimated balance of \$127,180;

- (2) sec. 1, ch. 17, SLA 2012, page 42, lines 8 - 11 (Department of Commerce, Community, and Economic Development, Matanuska-Susitna Borough, Talkeetna Public Library and community resource center - \$2,800,000), estimated balance of \$417,889;
- (3) sec. 1, ch. 17, SLA 2012, page 59, lines 18 - 21 (Department of Commerce, Community, and Economic Development, Anchorage School District, East High School area pedestrian and safety improvements - \$250,000), estimated balance of \$134,250;
- (4) sec. 1, ch. 18, SLA 2014, page 3, lines 31 - 32, and allocated on page 3, line 33, through page 4, line 3 (Department of Commerce, Community, and Economic Development, Alaska Energy Authority, bulk fuel upgrades, Kipnuk new tank farm - \$3,750,000), estimated balance of \$114,566;
- (5) sec. 1, ch. 18, SLA 2014, page 12, lines 22 - 25 (Department of Commerce, Community, and Economic Development, Kenai Peninsula Borough, extension of paved lighted pedestrian path, K-Beach Elementary School to Kenai Peninsula College - \$463,100), estimated balance of \$171,142;
- (6) sec. 1, ch. 18, SLA 2014, page 20, lines 19 - 20 (Department of Commerce, Community, and Economic Development, Alaska Village Electric Cooperative, Bethel electric system upgrade - \$940,000), estimated balance of \$101,240.

**DEPARTMENT OF REVENUE.**

- (1) sec. 7, ch. 43, SLA 2010, page 34, lines 26 - 27 (Department of Revenue, AHFC San Roberto redevelopment project - \$9,708,504), estimated balance of \$161,747;
- (2) sec. 14(a), ch. 16, SLA 2013 (Department of Revenue, Alaska Housing Finance Corporation, San Roberto Mountain View development project), estimated balance of \$170,116.

**DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES.**

- (1) sec. 1, ch. 135, SLA 2000, page 31, lines 16 - 17, and allocated on page 31, line 18, as amended by sec. 21(m)(7), ch. 1, TSSLA 2017 (Department of Transportation and Public Facilities, community transportation program (CTP) construction, CTP state match), estimated balance of \$193,274;
- (2) sec. 1, ch. 82, SLA 2003, page 36, line 27, and allocated on page 37, lines 11 - 12, as amended by sec. 21(m)(12), ch. 1, TSSLA 2017 (Department of Transportation and Public Facilities, statewide federal programs, federal-aid highway state match), estimated balance of \$120,567;
- (3) sec. 4, ch. 3, FSSLA 2005, page 97, lines 20 - 21, and allocated on page 98, lines 14 - 16, as amended by sec. 40(f), ch. 18, SLA 2014 (Department of Transportation and Public Facilities, congestion, mitigation and safety initiative, Kenai Peninsula, Kalifornsky Beach Road, rehabilitation), estimated balance of \$110,262;
- (4) sec. 1, ch. 82, SLA 2006, page 87, lines 19 - 20, as amended by sec. 41(d)(17), ch. 38, SLA 2015 (Department of Transportation and Public Facilities, Togiak dust and break-up control), estimated balance of \$198,361;

(5) sec. 1, ch. 82, SLA 2006, page 107, line 12, and allocated on page 108, lines 5 - 6 (Department of Transportation and Public Facilities, transportation initiative, Palmer-Wasilla highway improvements - \$12,000,000), estimated balance of \$324,167;

(6) sec. 4, ch. 30, SLA 2007, page 104, line 26, and allocated on page 105, lines 17 - 18, as amended by sec. 21(m)(15), ch. 1, TSSLA 2017 (Department of Transportation and Public Facilities, statewide federal programs, federal-aid transportation state match), estimated balance of \$668,631;

(7) sec. 13, ch. 29, SLA 2008, page 159, lines 28 - 29, as amended by sec. 35(c), ch. 18, SLA 2014, and sec. 19(b)(1), ch. 1, TSSLA 2017 (Department of Transportation and Public Facilities, Trunk Road, phase 1), estimated balance of \$110,000;

(8) sec. 1, ch. 15, SLA 2009, page 22, line 17, and allocated on page 22, lines 32 - 33 (Department of Transportation and Public Facilities, statewide federal programs, federal-aid highway state match - \$27,880,000), estimated balance of \$209,339;

(9) sec. 7, ch. 43, SLA 2010, page 36, lines 32 - 33, as amended by sec. 38(b) - (l), ch. 16, SLA 2013, and sec. 21(j)(20), ch. 1, TSSLA 2017 (Department of Transportation and Public Facilities, Holt-Lamplight Road repaving), estimated balance of \$314,329;

(10) sec. 1, ch. 17, SLA 2012, page 134, line 22, and allocated on page 135, lines 9 - 12 (Department of Transportation and Public Facilities, safety, highway safety corridor, Sterling Highway, Sterling to Soldotna widening - \$1,730,000), estimated balance of \$470,934;

(11) sec. 1, ch. 18, SLA 2014, page 62, lines 31 - 32 (Department of Transportation and Public Facilities, Pittman Road rehabilitation and resurfacing - \$2,000,000), estimated balance of \$280,653.

Please do not hesitate to contact my office with any additional questions you may have.

Sincerely,



Neil Steininger  
Director

Enclosures:

1. AKDHSS Enrollment Geo Data
2. MOU of NSB and AK to fund Utqiavik DA
3. FY20 Master Grant Agreement Final 5-3
4. Senate Finance Response – VPSO Program

cc: Suzanne Cunningham, Director, Governor's Legislative Office  
Pat Pitney, Director, Legislative Finance Division