



THE STATE
of ALASKA
GOVERNOR MIKE DUNLEAVY

Office of the Governor

OFFICE OF MANAGEMENT AND BUDGET
Neil Steininger, Director

Court Plaza Building
240 Main Street, Suite 801
Juneau, Alaska 99811-0020
Main: 907.465.4660
Fax: 907.465.2090

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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 response to questions asked during the Office of Management and Budget's presentation to the Senate Finance Committee on February 27, 2020.

1. *Senator von Imhof: Was there severance owed or any penalty from the Department of Corrections (DOC) canceling the out-of-state contract?*

The deadline for protests of the cancellation of this RFP was February 3, 2020. The department did not receive any protests by either of the two vendors and has no financial costs associated with this cancellation.

2. *Senator Hoffman: Where is the money in the budget to cover prisoners? How much is in the budget elsewhere (as it relates to the \$17.8 million UGF reduction in Gov Amend)?*

The increased funding remaining in the FY21 budget to meet the inmate population resides in the Institution Director's Office -- \$14,810.8, and in Physical Health Care -- \$8,722.4. This funding will allow the DOC the ability to meet the costs associated with the increasing population and can transition over to Palmer Correctional Center (PCC) once it is fully operational.

There is also carryforward language within the FY2020 Supplemental for PCC allowing \$16,669.1 to be spent across both fiscal years. This funding will be utilized to re-open PCC and assist in meeting the operational costs for those specifically housed at that facility. This carryforward is necessary as the projects are estimated to take up to 18 months going into FY2021.

3. *Senator Stedman: Is there an amendment for the Mt. Edgecumbe High School (MEHS) pool in the supplemental budget?*

Yes, the Department of Education and Early Development has determined a need for \$100.0 of unrestricted general funds and \$150.0 of general fund receipt authority (GFPR). This will allow the department to adequately pay for the Aquatic Facility Manager, lifeguards, and other operational and maintenance costs related to the pool. Additionally, the GFPR authority allows the MEHS Aquatic Center to collect user fees.

4. *Senator Wilson: What is the sustainable path forward for the dairies? Are there federal subsidies that could be accessed to help pay for the inspections?*

In meeting with the existing permittees, the Department of Environmental Conservation (DEC) asked for them to provide a ten-year plan that would ramp up fees and be sustainable for them. What they came back with was a willingness to pay roughly \$3.0 of the cost of the program and nothing more. The inclusion of \$15.0 in Statutory Designated Program Receipts (SDPR) in the budget sets the expectation that the industry will contribute more than 1.6% of the cost of the program. Collecting this in FY2021 may not be feasible and the Department anticipates increasing fees to reach this level over the next two to three years.

The Department has researched and found no federal grants available to offset the regulatory costs to the State for the dairy program. There may be federal subsidies available to the industry or to entities that purchase milk such as the military, prisons, or schools, but researching or applying for those funding opportunities is outside of DEC's purview.

5. *Senator Wielechowski: Why did the Department of Health and Social Services (DHSS) not receive the federal Children and Families Preschool Development grant?*

This was a competitive grant process; 46 states applied for the grant, yet only 23 states received it. Although Alaska scored very high on the application, it was not one of the 23 successful states.

6. *Senator Wielechowski: Is any of the funding for 'Mental Health Professionals Off-Site Evaluations' for the Alaska Psychiatric Institute (API)?*

No, these funds will not go directly to API. Funds will be used for provider agreements to conduct clinical reviews of ex parte evaluations for individuals awaiting transfer to a Designated Evaluation Treatment (DET), a Designated Evaluation Stabilization (DES) facility or to API.

7. *Senator Wielechowski: What is the funding for the 'Transfer Citizen's Advisory Commission on Federal Areas (CACFA),' used for? Is it a position on the commission?*

The purpose of the Citizen's Advisory Commission on Federal Areas is to identify and reduce potential negative impacts on Alaska and its citizens from federal actions on federal land in the state. The statutory authority for the commission is set out in AS 41.37.160. The CACFA executive director restored by this increment has always supported the commission in the past, but was not a commission position.

8. *Senator Wielechowski: The Department of Natural Resources (DNR) Commissioner's Office funding – could that be used for the oil tax initiative?*

None of the Commissioner's Office travel includes activities related to voter initiatives of any kind. Alaska law prohibits the Commissioner, Deputy Commissioners and the Commissioner's Office staff from formally advocating in an official capacity for any position associated with a voter initiative or utilizing State resources to do the same. DNR may only respond to specific requests from the public or the Legislature for public information or data relating to a voter initiative.

9. *Senators Wielechowski and Hoffman: Will any of the funding for Mine Inspections and Fieldwork be used for Pebble Mine?*

Approximately \$6.0 of the \$110.2 travel add-back request is related to Pebble Mine inspections.

10. Senator Hoffman: What money is targeted for Pebble Mine in the operating budget?

The Mining Section within Division of Mining, Land & Water has no programs or plans outside of normal operations for the Pebble Mine for FY2021. The Division of Mining, Land & Water staff performs mining activities, inspections, etc., and travel is necessary for the inspections.

11. Senators von Imhof and Wielechowski: The committee would like to see an explanation of the costs and benefits of switching to bi-weekly over the next 5-7 years by department.

OMB is continuing to work with the Department of Administration to gather this information and will provide it once it is available.

12. Senator Hoffman: How much of the \$24.0 million capital funding for the Alaska Land Mobile Radio (ALMR) will be spent or encumbered in FY2020?

Once allocated, the entire \$24.0 million will be encumbered in FY2020. Based on previous contract provisions, the Department of Military and Veterans Affairs' projects that around 60% of the request is required in FY2020.

13. Senator Wilson: Does the ALMR capital funding relate to the new Department of Public Safety (DPS) dispatch center in Anchorage?

The \$24.0 million capital request for ALMR is separate from the DPS dispatch center in Anchorage. However, the \$24.0 million is needed to refresh ALMR technology, which provides radio and dispatch service used by 130 user agencies and all ALMR connected dispatch centers. Locally owned and operated ALMR dispatch centers are in Fairbanks, the Municipality of Anchorage, Wasilla (MATCOM), Palmer, Valdez, and Soldotna.

14. Senator Hoffman: Please provide information on the State's efforts to improve access to Real ID in rural communities.

See the attached document detailing efforts by the Department of Administration, the Department of Health and Social Services, and other partners to address the need for Alaskans living in rural areas to have access to documentation required to travel after October 1, 2020.

Please let me know if you have additional questions.

Sincerely,



Neil Steininger, Director
Office of Management and Budget

Enclosure

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



The Division of Motor Vehicles' (DMV) Plans for Federally Compliant Identification

On October 1, 2020, the Transportation Security Administration (TSA) will require federally compliant identification to pass through TSA checkpoints and travel commercially. After October 1, TSA will accept over 30 forms of identification for air travel, including a passport, tribal ID with a photo, and military or Veteran's Affairs ID. The only travel policy that will change is that if Alaskans intend to use a state-issued identification card, it must be "REAL ID" compliant. The Division of Motor Vehicles (DMV) has been issuing "REAL IDs" since January 2019.

The DMV has been pursuing ways to ensure Alaskans are able to travel after October 1, 2020. Those efforts are detailed below. In addition, the DMV has been highly engaged in taking on additional duties to serve Alaskans as part of the implementation effort, such as education, outreach, coordinating with rural communities, engaging media and social media platforms, and partnering with stakeholders and advocacy groups to inform Alaskans of their options and encourage them to obtain a federally compliant ID before October 1.

18,000+ Rural Residents Visiting Areas with DMV Before October 1

Between March and October 1, 2020, the Department of Health and Social Services (DHSS) will authorize and pay for more than 10,000 separate adult Medicaid recipients to travel from remote rural communities to receive medical care at the closest hub location; most of the travel destinations also have a DMV. Additionally, the Yukon-Kuskokwim Health Corporation informed the DMV they will arrange approximately 8,750 medical trips for their rural customers between March and October 1, 2020. These trips present opportunities for residents to obtain federally compliant identification by bringing documents to get a REAL ID at a DMV, or a tribal ID with photo at the Bureau of Indian Affairs, or a passport at a passport acceptance facility.

Network of Offices and Partners, Expanding Locations

DMV offices are strategically located across Alaska in 48 locations and services are available through a network of internal offices, commission agents and business partners. The US Passport Agency advertises at least 20 locations where rural Alaskans can obtain US Passports or Passport Cards, which are also federally compliant.

Through our current outreach efforts, the DMV is working on a potential partnership with AKWA-DC and Coastal Villages, which has a network of 20 community service locations across Alaska's southwest coastal region, where Alaska has the densest population of rural residents needing federally compliant identification. The DMV is also in discussions to partner with the Alaska Municipal League, a member organization that represents 165 communities throughout Alaska, that is interested in issuing REAL IDs in their non-road system communities without a DMV presence. Both of these partnerships have the potential of significantly expanding the ability to issue REAL ID's across the state.

Airport Partnerships

In 2019, the DMV formed a partnership with major airports throughout Alaska for the purpose of raising awareness, increasing education, and promoting the need to acquire a federally compliant ID for travel by October 2020. The DMV had a presence in the Anchorage and Fairbanks airports during the busy holidays of Thanksgiving and Christmas. The DMV will maintain two processing stations at the Anchorage airport to offer travelers coming in from rural communities a convenient opportunity to get a REAL ID while they are travelling.

The DMV has also started a partnership with Alaska Airlines and RAVN Airlines to work with them to educate travelers on which identifications can be used after October 1, 2020 for travel. Partnering with stakeholders like the airports and the airlines are one of the best ways to contribute to preparing Alaskans for TSA's federally mandated travel requirements because they engage most with the people who likely will be traveling through TSA checkpoints in the future.

State Agency Partnerships

In addition to partnerships with the Department of Transportation and Public Facilities (DOT&PF) and their associated airports, the Department of Health and Social Services (DHSS) and the Department of Commerce, Community and Economic Development (DCCED) have been working with the DMV to share information about federally compliant IDs as broadly as possible, including information on how to get state-provided documentation that can be used to obtain a REAL ID.

The Division of Public Health - Health Analytics and Vital Records (HAVRS) is responsible for producing and providing Alaska birth certificates and have been actively sharing information on how Alaskans can request birth certificates and educating Alaskans on that process. DHSS is also adding REAL ID content on their homepage and on the website for the Division of Public Assistance (DPA), which is the entrance point for all assistance programs. In addition to increasing online information, DHSS is printing DMV flyers for all DPA offices that will be available for all assistance program beneficiaries. DCCED is using its network to distribute those same flyers to rural communities.

Finally, the Division of Health Care Services (DHCS), which is responsible for managing Alaska's Medicaid program, will be increasing its efforts to spread REAL ID awareness by including information about the REAL ID deadline in the notices it sends beneficiaries. In addition, when individuals call DHCS, they will be reminded about REAL ID changes on the hold message, and all rural medical providers will be asked to help educate patients about REAL ID.

Rural Outreach and Education Efforts

To effectively partner with businesses, organizations, the media, and TSA to inform Alaskans about REAL ID requirements and alternatives, the DMV has dedicated a senior level staff member to REAL ID outreach and education efforts. This employee has engaged approximately 40 tribal leaders or city managers in communities without a DMV presence to educate them on the requirements for REAL ID, assess their need for REAL ID, and provide DMV advice.

In addition to education and outreach efforts, DMV developed a mobile camera solution and the document collection practices that met the very specific and restrictive federal requirements for REAL ID that allowed DMV to travel to a rural community and issue REAL IDs. DMV started a pilot project of

visiting 6 rural communities to issue REAL IDs in January of this year. Two out of six pilot travel trips have been completed where DMV issued approximately 140 REAL IDs.

Media Engagement

Many Alaskans stay up to date through social media and the news, so starting last September, DMV substantially increased press interviews and social media presence, in order to inform Alaskans about REAL ID. TSA has also increased its media presence, airport advertising, and public service announcements to increase awareness about the new identification requirements that go into place on October 1, 2020.

Speaking Engagements and Conference Participation

Another way that DMV has reached Alaskans living in communities without a DMV presence or passport acceptance facility is by participating in conferences and promoting federally compliant ID requirements in educational literature. So far, the DMV has spoken at a Bureau of Indian Affairs conference and the Alaska Municipal League's conference. The DMV also is scheduled to speak at the Alaska Tribal Administrators Association Symposium and an Alaska Federation of Native board meeting. The DMV also will have informational booths staffed with DMV representatives at the Alaska Arts Market, the Tanana Chiefs Conference and the Southwest Municipal Conference to educate Alaskans on the upcoming enforcement date and all of their options.