



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

April 1, 2021

The Honorable Representative Foster
Co-Chair, House Finance Committee
Alaska State Capitol Room 505
Juneau, AK 99801

The Honorable Representative Merrick
Co-Chair, House Finance Committee
Alaska State Capitol Room 511
Juneau, AK 99801

Dear Co-Chairs Foster and Merrick,

Thank you for inviting the Office of Management and Budget to present on the Governor's fiscal year 2021 supplemental budget items to the House Finance Committee on March 11th. Responses to questions and requests for follow-up information from the committee hearing are included below:

Representative Rasmussen asked how many positions are included in the Department of Law increment for timely processing of sexual assault and sexual abuse of a minor cases. For fiscal year 2022, a total of 19 positions will be added to the Department of Law Criminal Division across all four judicial districts and the criminal appeals/special litigation component, comprising ten attorneys, six paralegals and three law office assistants. The fiscal year 2021 supplemental capital request for the same purpose does not include new positions; rather, the request would provide the initial infrastructure to stand up the program and enable successful recruitment and retention of qualified staff. The capital project will allow the Criminal Division to increase recruitment efforts by creating recruitment and orientation materials, use subscription services for hiring and provide housing for staff in rural communities where housing is otherwise hard to come by.

Representative Ortiz asked if the administration had considered reducing expenditures from the Higher Education Investment Fund by limiting Alaska Performance Scholarships to avoid depleting the fund balance. The Alaska Performance Scholarship program was established by the legislature in 2010. The APS provides financial aid to graduating Alaska high school students who meet eligibility criteria based on grade point average, curriculum requirements and standardized test scores. On March 19th, 2021, The Alaska Commission on Postsecondary Education (ACPE) published the [Alaska Performance Scholarship Program Review and Recommendations Report](#) produced by McKinley Research (formerly McDowell Group). The report contains recommendations on how the program can better serve Alaska students. The Department of Education and Early Development and ACPE are working collaboratively to review the report's recommendations and determine next steps for the program.

Representative Johnson asked for more detail on the Department of Environmental Conservation's (DEC) supplemental increments for increased legal expenses. The \$120.0 increment for the Division of Environmental Health is related to an ongoing water system issue in a Chugiak trailer park. DEC has been working with park owners for several years to resolve persistent water safety concerns to no avail and resorted to pursuing legal action to remedy the issue. The \$236.9 increment for the Division of Water is related to several high-profile wastewater discharge permits that have been or will be appealed, as well as increased inspections and related consultation with the Department of Law. This cost is not related to the state's appeal of the federal permit denial for Pebble Mine.

Representative Ortiz asked how long Commercial Passenger Vessel Environmental Compliance (CPVEC) funds have been used for shellfish testing at the Department of Environmental Conservation. CPVEC was first appropriated for shellfish testing in fiscal year 2009 at \$80.0 and increased to \$100.0 the following year. In fiscal year 2018, the Governor's budget proposed a fund source change of \$333.7 from UGF to CPVEC, shifting the remaining full cost of shellfish testing to the new fund source.

Don't hesitate to reach out to my office if you have further questions.

Sincerely,



Neil Steininger
Director

cc: Miles Baker, Legislative Director, Office of Governor Mike Dunleavy
Alexei Painter, Director, Legislative Finance Division