

# State of Alaska

# Office of Management and Budget

House Finance Committee

Third Special Session Budget Overview – HB 3003

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Office of Governor  
**MIKE DUNLEAVY**

## Third Special Session

### Durable Fiscal Plan

- Constitutionally protect Permanent Fund, PFD, and PCE
- Establish meaningful limits to expenditure growth
- Provide for a bridge to a sustainable fiscal plan

### FY22 Budget

- 2021 Permanent Fund Dividend – Resolved in HB3003
- FY22 Sweep impacts
  - Power Cost Equalization Endowment – Resolved by the AFN case decision
  - Higher Education Scholarship Programs – Resolved in HB3003
  - Other operating and capital budget shortfalls - Ongoing

## Permanent Fund Dividend Payment

- \$1.53 billion for the payment of the 2021 PFD based on 50% of the POMV draw, providing an estimated \$2,350 per eligible Alaskan

## Alaska Student Scholarships and Grants

- \$11.7 million to Alaska Performance Scholarship Awards
- \$6.4 million to Alaska Education Grants
- \$3.3 million to WWAMI Medical Education

## Constitutional Budget Reserve (CBR) Deposit

- \$1.47 billion one-time transfer from the earnings reserve account to the CBR

# Budget Impacts of CBR Vote Failure

## Immediate Issues

- Unfunded operating items – Scholarships and education grants
  - Resolved in HB3003 with UGF backfill

## Delayed Issues

- Unfunded capital projects
  - Projects delayed until valid funding source is appropriated
- Partially funded operating items
  - Programmatic impacts likely in second half of FY22
  - Legislative options exist to address shortfalls

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