



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

1

Office of the Governor
OFFICE OF MANAGEMENT AND BUDGET
Neil Steininger, Director

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May 3, 2021

The Honorable Bert Stedman
Co-Chair, Senate Finance Committee
Alaska State Legislature
State Capitol, Room 518
Juneau, AK 99801-1182

The Honorable Click Bishop
Co-Chair, Senate Finance Committee
Alaska State Legislature
State Capitol, Room 516
Juneau, AK 99801-1182

The Honorable Neal Foster
Co-Chair, House Finance Committee
Alaska State Legislature
State Capitol, Room 505
Juneau, AK 99801-1182

The Honorable Kelly Merrick
Co-Chair, House Finance Committee
Alaska State Legislature
State Capitol, Room 511
Juneau, AK 99801-1182

Re: FY2021 Supplemental Operating Amendments HB 84 / SB 68

Dear Finance Committee Co-Chairs,

Enclosed, please find three amendments to the FY2021 supplemental operating budget. These amendments:

- Increase federal authority for COVID-19 relief \$5,329,800 COVID Federal.
- Reappropriation of FY2021 aviation match to the marine highway system fund \$5,500,000 UGF (offsetting reversal in the capital supplemental amendments).
- FY2021 Judgments, settlements, and claims \$410,000 UGF.

Thank you for your consideration of these budget amendments.

Sincerely,

Neil Steininger
Director

Enclosures

cc: Alexei Painter, Director, Legislative Finance Division
Miles Baker, Director, Governor's Legislative Office

FY2021 Operating Supplemental Governor Amended

Line #	Back-up Page	Bill Number	Bill Section	Bill Page	Bill Line	Department	RDU	Component	Trans Type	Lang	Description	Unrestricted General Funds (UGF)	Designated General Funds (DGF)	Other Funds	Federal Funds	Total	PFT	PPT	NP	Fund Source
OPERATING																				
1	1	HB84 / SB68	New	New	New	Education	Mt. Edgecumbe Boarding School	Mt. Edgecumbe Boarding School	MultiYr	Y	Increase Federal Authority for COVID-19 Relief The Mt. Edgecumbe Boarding School requires additional federal receipt authority to reflect COVID-19 relief funding allocated to the school from the three federal relief packages. Mt. Edgecumbe High School's total allocation is estimated to be \$5,329.8 and broken down as follows: 1)Coronavirus Aid, Relief and Economic Security (CARES) Act \$415.2 2)Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act, 2021 \$1,514.1 3)American Rescue Plan (ARP) Act \$3,400.5 (estimate)	-	-	-	5,329.8	5,329.8	-	-	-	1265 COVID Fed
2	2	HB84 / SB68	New	New	New	Special Appropriations	Judgments, Claims & Settlements	Judgments, Claims & Settlements	Suppl	Y	FY2021 Judgments, Settlements, and Claims Fletcher v. SOA - Expenses, Croft Law Office - \$10,440 Fletcher v. SOA - Attorney Fees, Expenses, Costs, Lambda Legal Defense and Education Fund, Inc. - \$157,359 Austin Ahmasuk v. SOA, DCCED-DBS, ACLU of AK Foundation, c/o Susan Ordansky - \$7,144 Keren Lowell, ACLU demand letter, Keren Lowel, c/o Stephen Koteff at ACLU AK - \$85,000 Komet Being et al. v. Adam Crum et al, Northern Justice Project LLC - \$75,032 Parker v Dunleavy et al., Reeves Amodio LLC - \$75,554	410.5	-	-	-	410.5	-	-	-	UGF
3	3	HB84 / SB68	New	New	New	Fund Transfer	OpSys DGF Transfer (non-add)	Marine Highway System Fund	Lang	Y	Reappropriation of Aviation Match to the Marine Highway System Fund The unexpended and unobligated balance, estimated to be \$5,500,000, of the appropriation made in sec. 5, ch. 8, SLA 2020, page 68, lines 12-13 (Department of Transportation and Public Facilities, Federal Aid Aviation State Match) is reappropriated to the Marine Highway System Fund.	5,500.0	0.0	0.0	0.0	5,500.0	-	-	-	UGF
Funding Total												410.5	0.0	0.0	5,329.8	5,740.3	0	0	0	
OPERATING TOTAL												410.5	0.0	0.0	5,329.8	5,740.3	0	0	0	



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The Honorable Kelly Merrick
Co-Chair, House Finance Committee
Alaska State Legislature
State Capitol, Room 511
Juneau, AK 99801-1182

Re: FY 2022 Operating Budget Amendments HB 69 / SB 49

Dear Finance Committee Co-Chairs,

Enclosed, please find three amendments to the FY2022 operating budget. These amendments include:

- A correction to the salary adjustment for the PSEA contract \$300,200 UGF.
- Alaska Permanent Fund Corporation investment management fees \$60,000,000 Other.
- Accounting management for federal relief in Department of Transportation \$343,700 Federal.

Thank you for your consideration of these budget amendments.

Sincerely,

A handwritten signature in black ink, appearing to read "Neil Steininger".

Neil Steininger
Director

Enclosures

cc: Alexei Painter, Director, Legislative Finance Division
Miles Baker, Director, Governor's Legislative Office

FY2022 Operating Governor Amended

Line #	Back-up Page	Bill Number	Bill Section	Bill Page	Bill Line	Department	RDU	Component	Trans Type	Lang	Description	Unrestricted General Funds (UGF)	Designated General Funds (DGF)	Other Funds	Federal Funds	Total	PFT	PPT	NP	Fund Source
						OPERATING														
1	1	HB69 / SB49	1	29-30	pg 29 lines 6 & 28-29 pg 30 lines 4-5	Public Safety	Alaska State Troopers / Fire and Life Safety	AK Bureau of Judicial Svcs / AST Detachments / Fire & Life Safety	SalAdj	N	Add 4% Cola for Court Service Officers and Deputy Fire Marshalls The PSEA contract was signed after the FY2022 Governors budget was released. They bargained for a 4% increase in FY2021 and 2% in FY2022 and FY2023. The 4% is effective when the legislature ratifies the contract.	300.2	16.9	0.0	0.0	317.1	0	0	0	UGF / DGF / Fed
2	4	HB69 / SB49	1	33	8-9	Revenue	AK Permanent Fund Corporation	APFC Investment Management Fees	Inc	N	Investment Management Fees This amendment to increase the Investment Management fees appropriation will ensure that as fiduciaries of the Fund, the Alaska Permanent Fund Corporation will be able to fulfill its contractual obligations to its managers.	0.0	0.0	60,000.0	0.0	60,000.0	0	0	0	1105 Pfund Rcpt
3	5	HB69 / SB49	1	33	22-23	Transportation	Admin and Support	Statewide Admin Services	OTI	N	Federal Relief Funding Accounting Management Add three long-term non-permanent (LTNP) positions to perform the professional financial management work related to the influx of federal relief funding.	0.0	0.0	0.0	343.7	343.7	0	0	3	1002 Fed
						Funding Total						0.0	0.0	0.0	343.7	343.7	0	0	3	
											OPERATING TOTAL	300.2	16.9	60,000.0	343.7	60,660.8	0	0	3	

**FY2022 Governor Amended
Operating - Salary Adjustments**

Line #	Bill Number	Bill Section	Bill Page	Bill Line	Department	Trans Type	Lang	Description	Unrestricted General Funds (UGF)	Designated General Funds (DGF)	Other Funds	Federal Funds	Total	Fund Source
OPERATING - SALARY ADJUSTMENTS														
1	HB69 / SB49	1	Impacts various in Sec. 1		Various	SalAdj	N	FY2022 SU 3% COLA	2,808.4	1,036.6	2,546.1	1,711.2	8,102.3	Various
2	HB69 / SB49	1	Impacts various in Sec. 1		Various	SalAdj	N	FY2022 ACOA 3% COLA	3,039.6	31.9	-	185.4	3,256.9	Various
3	HB69 / SB49	52	101-102	pg 101 lines 27-31, pg 102 lines 1-12	Various	SalAdj	Y	Amend Sec. 52 to add: (7) Alaska Correctional Officers Association, representing the Correctional Officers unit; (8) Alaska Public Employees Association / Supervisory Unit.	-	-	-	-	-	
									3,039.6	31.9	-	185.4	3,256.9	

FY2022 Operating Governor Amended

Line #	Back-up Page	Bill Number	Bill Section	Bill Page	Bill Line	Department	RDU	Component	Trans Type	Language	Description	Unrestricted General Funds (UGF)	Designated General Funds (DGF)	Other Funds	Federal Funds	Total	PFT	PFT	NP	Fund Source
OPERATING																				
1	1	HB69 / SB49	1	29-30	pg 29 lines 6 & 28-29 pg 30 lines 4-5	Public Safety	Alaska State Troopers / Fire and Life Safety	AK Bureau of Judicial Svcs / AST Detachments / Fire & Life Safety	SalAdj	N	Add 4% Cola for Court Service Officers and Deputy Fire Marshalls The PSEA contract was signed after the FY2022 Governors budget was released. They bargained for a 4% increase in FY2021 and 2% in FY2022 and FY2023. The 4% is effective when the legislature ratifies the contract.	300.2	16.9	0.0	0.0	317.1	0	0	0	UGF / DGF / Fed
2	4	HB69 / SB49	1	33	8-9	Revenue	AK Permanent Fund Corporation	APFC Investment Management Fees	Inc	N	Investment Management Fees This amendment to increase the Investment Management fees appropriation will ensure that as fiduciaries of the Fund, the Alaska Permanent Fund Corporation will be able to fulfill its contractual obligations to its managers.	0.0	0.0	60,000.0	0.0	60,000.0	0	0	0	1105 Pfund Rcpt
3	5	HB69 / SB49	1	33	22-23	Transportation	Admin and Support	Statewide Admin Services	OTI	N	Federal Relief Funding Accounting Management Add three long-term non-permanent (LTNP) positions to perform the professional financial management work related to the influx of federal relief funding.	0.0	0.0	0.0	343.7	343.7	0	0	3	1002 Fed
Funding Total												300.2	16.9	60,000.0	343.7	60,660.8	0	0	3	
OPERATING TOTAL												300.2	16.9	60,000.0	343.7	60,660.8	0	0	3	

FY2021 Capital Supplemental Governor Amended

Line #	Back-up Page	Bill Number	Bill Section	Bill Page	Bill Line	Department	Trans Type	Lang	Description	Unrestricted General Funds (UGF)	Designated General Funds (DGF)	Other Funds	Federal Funds	Total	Fund Source
CAPITAL															
1	1	HB84 / SB68	New	New	New	Transportation	Capital	Y	Reappropriation of Aviation Match to the Marine Highway System Fund The unexpended and unobligated balance, estimated to be \$5,500,000, of the appropriation made in sec. 5, ch. 8, SLA 2020, page 68, lines 12-13 (Department of Transportation and Public Facilities, Federal-Aid Aviation State Match) is reappropriated to the Marine Highway System fund.	-5,500.0	0.0	0.0	0.0	-5,500.0	UGF
2	2	HB84 / SB68	3	New	New	Transportation	Capital	N	FAA CARES Act Rural Airport Deferred Maintenance Projects Approximately \$10 billion in grants for airports are available under the Coronavirus Aid, Relief, and Economic Security (CARES) Act, of which the State of Alaska Rural Airport System was allocated approximately \$49 million. Funds provided under the Grant Agreement must only be used for purposes directly related to airports. Such purposes can include the reimbursement of an airport's operational and maintenance expenses. \$11 million in Federal Aviation Administration CARES Act funding will be utilized for deferred maintenance at rural airports.	0.0	0.0	0.0	11,000.0	11,000.0	Fed COVID 1265
3	4	HB84 / SB68	3	New	New	Transportation	Capital	N	Alaska International Airport System - Debt Service Payment Use pandemic relief funding from Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) and the American Rescue Plan Act (ARPA) sent directly to ALAS to pay debt service.	0.0	0.0	0.0	30,000.0	30,000.0	Fed COVID 1265
4	5	HB84 / SB68	New	New	New	Transportation	Capital	Y	Reappropriation for Emergency Weather Events The unexpended and unobligated balance, in the sum of \$1,000,000, of the appropriation made in sec. 12, ch. 8, SLA 2020, page 81, lines 2-4 (Department of Transportation and Public Facilities, Federal-Aid Aviation State Match) is reappropriated to the Department of Transportation and Public Facilities, for the purpose of responding to emergency weather events. The state's transportation assets are regularly damaged by natural weather occurrences, such as ice jams, floods, earthquakes, slope failures, windstorms and heavy snows. When these unforeseen events occur, repairs to the state's highways, airports, and facilities are needed immediately to restore transportation service to communities and to minimize disruptions to commerce. The costs for repairs related to extreme weather events often exceed the department's ability to cover with annual operating budgets. These funds would provide the department with a vital tool in combating the effects of natural disasters on the state's assets.	0.0	0.0	0.0	0.0	0.0	UGF
Funding Total										0.0	0.0	0.0	41,000.0	41,000.0	
CAPITAL TOTAL										0.0	0.0	0.0	41,000.0	41,000.0	