



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Office of the Governor
OFFICE OF MANAGEMENT AND BUDGET
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February 12, 2026

The Honorable Lyman Hoffman
Co-Chair, Senate Finance Committee
Alaska State Capitol, Room 518
Juneau, AK 99801

The Honorable Donny Olson
Co-Chair, Senate Finance Committee
Alaska State Capitol, Room 508
Juneau, AK 99801

The Honorable Bert Stedman
Co-Chair, Senate Finance Committee
Alaska State Capitol, Room 516
Juneau, AK 99801

Dear Co-Chairs Hoffman, Olson, and Stedman,

Thank you for inviting the Office of Management and Budget (OMB) to present an overview of the Governor's FY2026 supplemental budget to the Senate Finance Committee on February 4, 2026. This letter completes the responses to questions and requests for follow-up information from this hearing. All of the dollar figures presented in this document are in whole dollars unless otherwise noted.

1. Provide a report on the overtime hours for the Department of Corrections (DOC) for the last 12 months.

See the attached document titled *DOC 12 Month Overtime Report by Employee.pdf* for a list of the overtime hours from January 5, 2025, to January 2, 2026.

2. Provide a timeline and solutions on returning people back to the communities after the west coast storms.

There are a substantial amount of unknowns that prevent the Department of Military and Veterans Affairs (DMVA), Division of Homeland Security and Emergency Management (DHS&EM), and the Federal Emergency Management Agency (FEMA) from providing a specific timeline on when residents of the Yukon-Kuskokwim Delta will be able to safely return home. With that said, the cleanup, infrastructure stabilization and restoration, and repair and/or construction of new homes will require work into 2027.

If programs, authorities, and funding is secured timely from all agencies at the federal and state, it is estimated that residents could return to either their community, region, or new location they choose, by late Fall 2027.

The key and crucial decision point rests with the FEMA. The DHS&EM has requested that FEMA approve the use of what is referred to as Permanent Housing Construction Authority. If approved, that will allow the FEMA to fund construction of new homes to replace those destroyed and facilitate the repair of homes that require funding above the normal FEMA housing assistance maximum of \$44,800. It may also provide the FEMA the ability to offset and defray the cost of shipping and transportation of repair materials for any eligible households that have minor to moderate repairs needed. Unless and until the approval of this program and authority is made, firm timelines cannot be developed.

The following is a rough outline of factors:

- a. Assessment, cleanup, and remediation of contaminants, restoration of water, wastewater, landfill, power, and communications (communities must be ready from a public health and safety perspective before residents can return).
- b. Repairs to damaged homes that can be made, with service connections re-established.
- c. New construction and repair of major damaged or destroyed homes, which includes a land/site assessment, development and installation of appropriate foundation, approval of home designs and standards, acquisition of materials, identification of construction leads, labor pool, etc.

There are a myriad of planning factors that are not currently known at this time, including capacity of regional residential construction resources to take on a mission of this scope and scale, maritime transportation and shipping, including barge capacity and sailing times to support a housing mission, supply chain and manufacturing timelines of both repair and new home construction materials. The DMVA/DHS&EM is working diligently to accelerate and expedited this process and the work with the FEMA to return Alaskans to their communities.

Please contact my office if you have further questions.

Sincerely,

Lacey Sanders

Lacey Sanders
Director

Enclosures: DOC 12 Month Overtime Report by Employee.pdf

cc: Alexei Painter, Director, Legislative Finance Division
Jordan Shilling, Director, Governor's Legislative Office