

Department of Revenue

FY2026 Governor's Budget Overview

Senate Finance Subcommittee

March 6, 2025



Adam Crum, Commissioner
Janelle Earls, Administrative Services Director

Agenda

- Department overview and introduction
- Year-over-year budget comparison
- Division budget overview
- Corporations and Authorities budget overview



Department Overview: **Mission and Introduction**

Mission: To Collect, Distribute, and Invest funds for public purposes

Values

- Integrity
- Stewardship
- Professionalism
- Empowerment

Agency Divisions

- Tax Division
- Treasury Division
- Permanent Fund Dividend Division
- Child Support Enforcement Division
- Commissioner's Office and Administrative Services

Corporations & Authorities

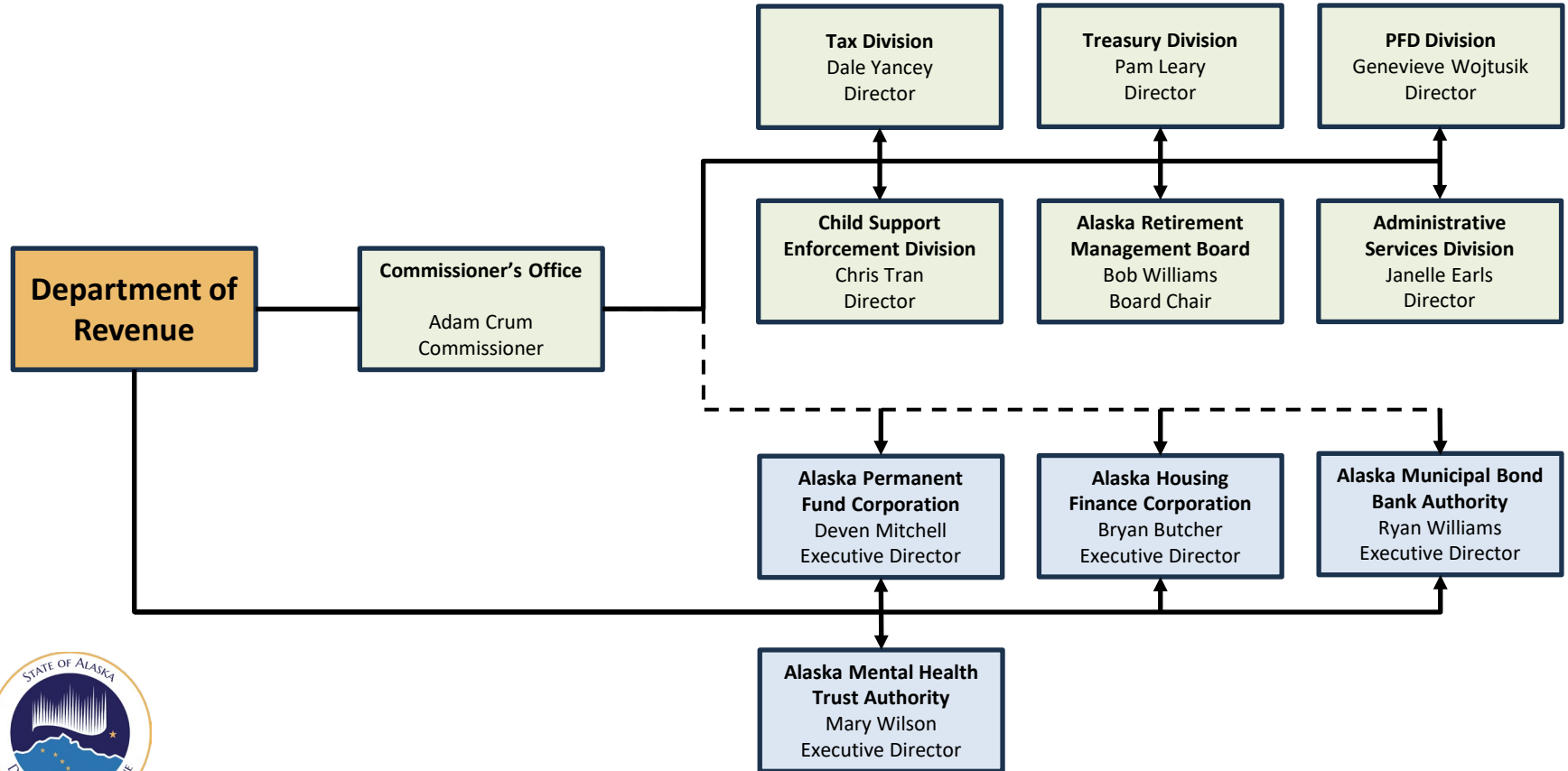
- Alaska Mental Health Trust Authority
- Alaska Housing Finance Corp
- Alaska Permanent Fund Corp
- Alaska Muni Bond Bank Authority

Statewide Items

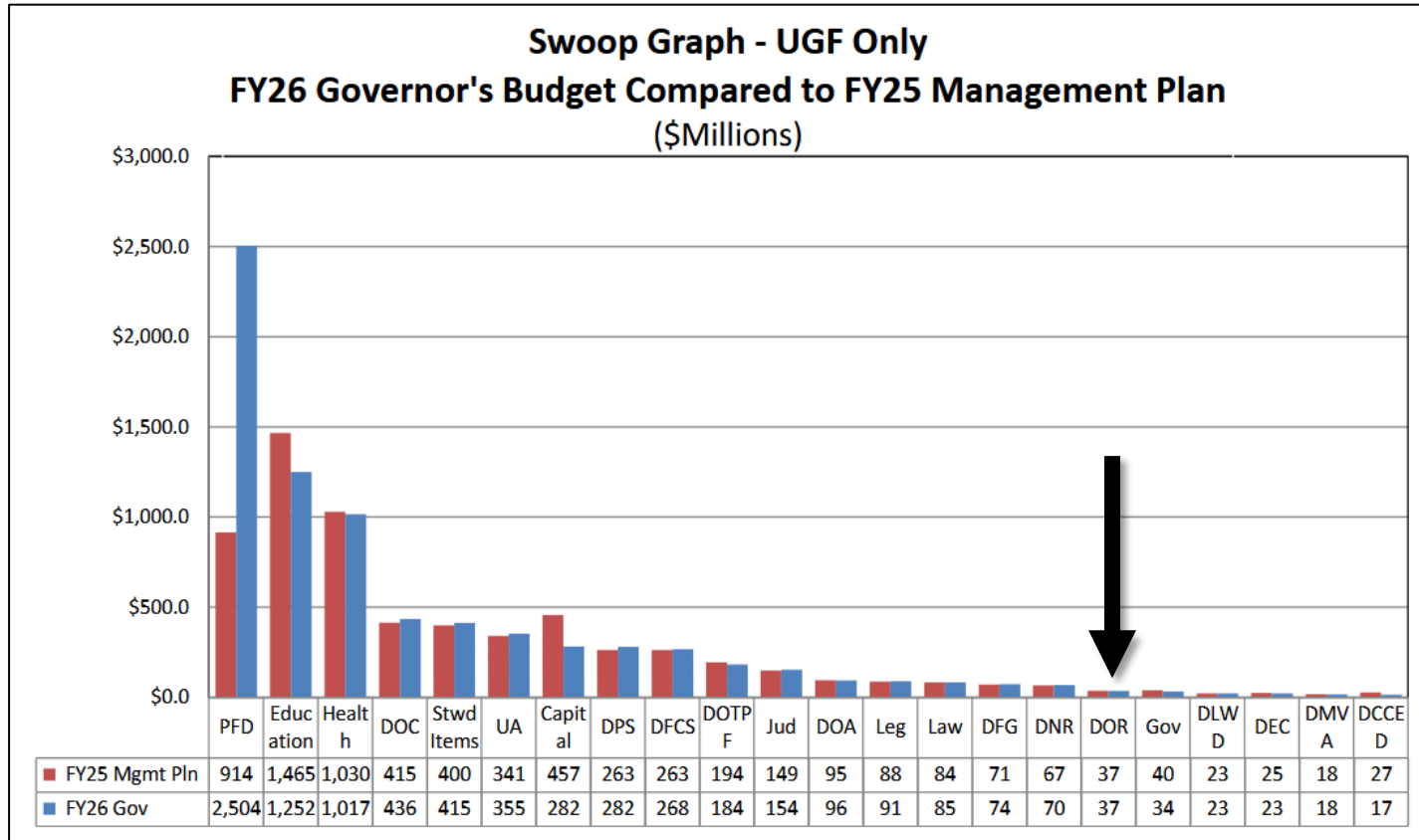
- Permanent Fund
- Shared Taxes
- Retirement and Debt Service
- Dividend Raffle



Department Overview: Organization

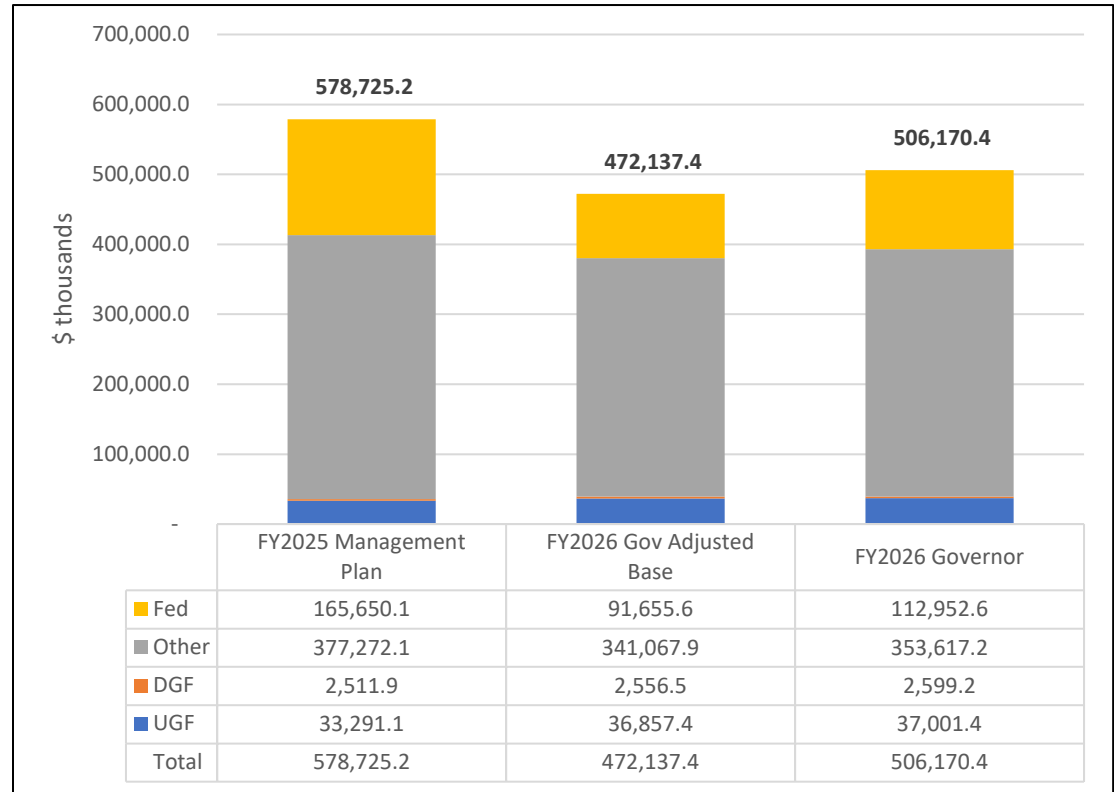


Department Overview: Statewide UGF Comparison



Department Overview: Total Budget by Fund Group

- The FY2026 Governor Budget totals \$506,170.4 in all funds
- The increase from FY2026 Adjusted Base totals \$34,033.0 in all funds
 - \$144.0 UGF
 - \$42.7 DGF
 - \$12,549.3 Other
 - \$21,297.0 Fed



Department Overview: Tax Division

Mission: Collect taxes, inform stakeholders and regulate charitable gaming.

FY2026 Governor Proposals

- No major changes

Fund Group	FY2026 Adj. Base	FY2026 Gov	FY2026 Adj. Base to FY2026 Gov	% Change
UGF	18,523.2	18,523.2	0.0	0.0%
DGF	990.5	990.5	0.0	0.0%
Other	207.8	207.8	0.0	0.0%
Fed	0.0	0.0	0.0	0.0%
Total	19,721.5	19,721.5	0.0	0.0%



Department Overview: Treasury Division

Mission: To manage the State's funds consistent with prudent investment guidelines and Governmental Accounting Standards Board (GASB) rules.

FY2026 Governor Proposals

- Alignment of fund sources based on investment assets under management: \$42.7 DGF, -\$42.7 Other

Fund Group	FY2026 Adj. Base	FY2026 Gov	FY2026 Adj. Base to FY2026 Gov	% Change
UGF	2,417.4	2,417.4	0.0	0.0%
DGF	369.3	412.0	42.7	11.6%
Other	10,218.5	10,175.8	-42.7	-0.4%
Fed	0.0	0.0	0.0	0.0%
Total	13,005.2	13,005.2	0.0	0.0%



Department Overview: Alaska Retirement Management Board

Mission: To manage the state's retirement and benefit plan funds consistent with prudent investment guidelines and Governmental Accounting Standards Board (GASB) rules.

FY2026 Governor Proposals

- Add Authority for FY2025 Exempt and Supervisor Union Salary Adjustments in the Treasury Division: \$512.9 Other
- Add Authority for FY2026 Salary Adjustments in the Treasury Division: \$307.0 Other
- Maintain Investment Data Services: \$154.7 Other

Fund Group	FY2026 Adj. Base	FY2026 Gov	FY2026 Adj. Base to FY2026 Gov	% Change
UGF	0.0	0.0	0.0	0.0%
DGF	0.0	0.0	0.0	0.0%
Other	10,808.3	11,782.9	974.6	9.0%
Fed	0.0	0.0	0.0	0.0%
Total	10,808.3	11,782.9	974.6	9.0%



Department Overview: Permanent Fund Dividend (PFD) Division

Mission: To administer the Permanent Fund Dividend program, assuring that all eligible Alaskans receive timely dividends, fraud is prosecuted, and all internal and external stakeholders are treated with respect.

FY2026 Governor Proposals

- Align Personal Services Budget with Anticipated Staffing Levels: \$233.7 Other
- Federal Postage Rate Increases: \$23.3 Other

Fund Group	FY2026 Adj. Base	FY2026 Gov	FY2026 Adj. Base to FY2026 Gov	% Change
UGF	0.0	0.0	0.0	0.0%
DGF	384.2	384.2	0.0	0.0%
Other	8,977.1	9,234.1	257.0	2.9%
Fed	0.0	0.0	0.0	0.0%
Total	9,361.3	9,618.3	257.0	2.7%



Department Overview: Permanent Fund Dividend (PFD) Division

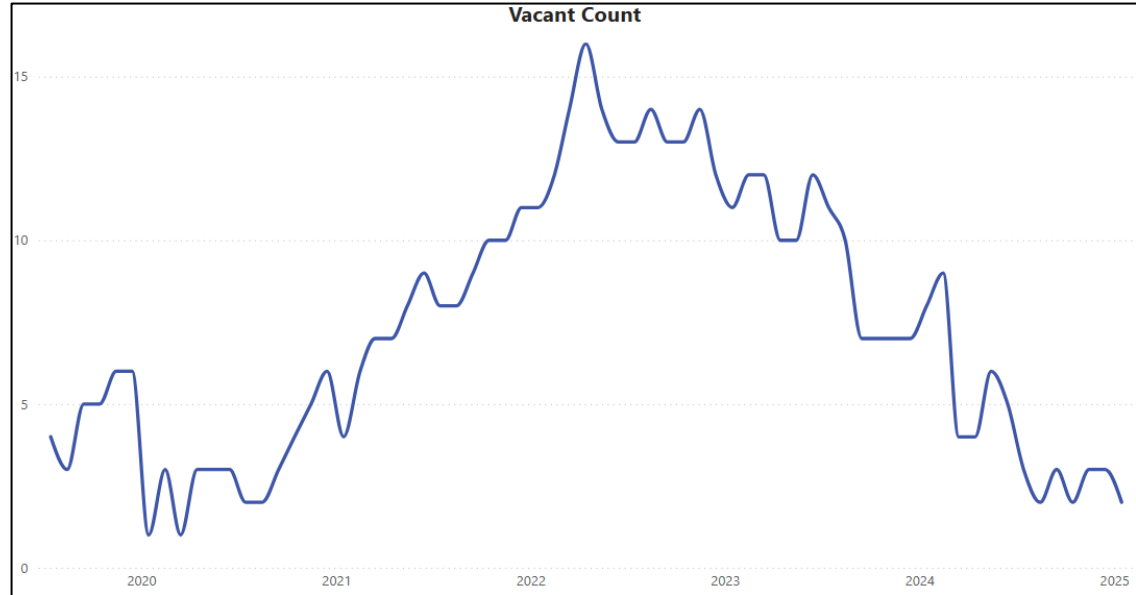
PFD Division Vacancy FY2020 – FY2025 (January 2025)

Permanent Full-Time Positions

Vacancy % by Fiscal Year

Permanent Fund Dividend Division

Month	2020	2021	2022	2023	2024	2025	Total
Jul	6.0%	3.1%	12.5%	20.3%	17.2%	4.7%	10.6%
Aug	4.5%	3.1%	12.5%	21.9%	15.6%	3.1%	10.1%
Sep	7.5%	4.6%	14.1%	20.3%	10.9%	4.7%	10.3%
Oct	7.5%	6.2%	15.6%	20.3%	10.9%	3.1%	10.6%
Nov	9.0%	7.7%	15.6%	21.9%	10.9%	4.7%	11.6%
Dec	9.0%	9.2%	17.2%	18.8%	10.9%	4.7%	11.6%
Jan	1.5%	6.2%	17.2%	17.2%	12.5%	3.1%	9.5%
Feb	4.5%	9.2%	18.8%	18.8%	14.1%		13.0%
Mar	1.5%	10.8%	21.9%	18.8%	6.3%		11.7%
Apr	4.5%	10.8%	25.0%	15.6%	6.3%		12.3%
May	4.5%	12.3%	21.9%	15.6%	9.4%		12.7%
Jun	4.5%	13.8%	20.3%	18.8%	7.8%		13.0%
Total	5.3%	8.1%	17.7%	19.0%	11.1%	4.0%	11.3%



Department Overview: Child Support Enforcement Division

Mission: To collect and distribute child support.

FY2026 Governor Proposals

- Technical clean up of uncollectable Capital Improvement Project Receipt Authority: -\$3.2 Other

Fund Group	FY2026 Adj. Base	FY2026 Gov	FY2026 Adj. Base to FY2026 Gov	% Change
UGF	9,168.1	9,168.1	0.0	0.0%
DGF	50.0	50.0	0.0	0.0%
Other	3.2	0.0	-3.2	-100.0%
Fed	19,403.9	19,403.9	0.0	0.0%
Total	28,625.2	28,622.0	-3.2	0.0%



Department Overview: Child Support Enforcement Division

Mission: To collect and distribute child support.

FY2025 Update

The Division of Personnel implemented a Class Study for 107 Child Support Enforcement Specialist positions in December 2023

- Resulted in two range increases
- Required a \$1,275.4 increment in FY2025 (\$452.9 UGF; \$822.5 Fed)

Vacancy and Turnover Outcomes

- ✓ Vacancies have decreased from 26 to nine as of January 2025 data; 24 percent to eight percent
- ✓ Average resignations have decreased from 1.6 per month in the 12 months prior to 0.33 in the 12 months after implementation



Department Overview: Child Support Enforcement Division

CSED Vacancy FY2020 – FY2025 (January 2025)

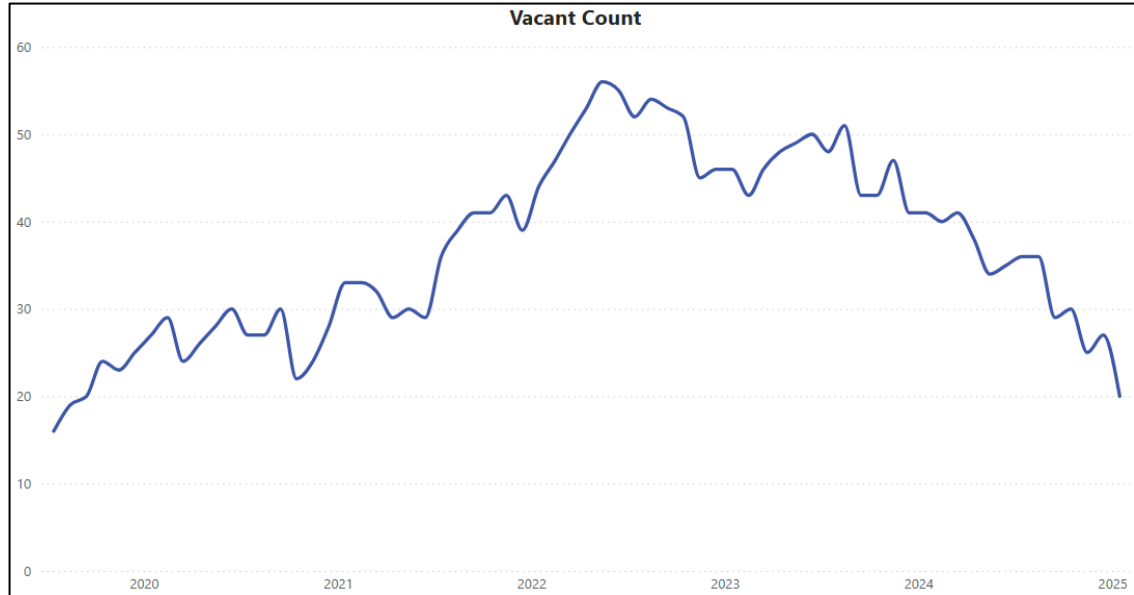
Permanent Full-Time Positions

Vacancy % by Fiscal Year

Child Support Enforcement

Month	2020	2021	2022	2023	2024	2025	Total
Jul	8.2%	14.0%	18.7%	27.1%	25.0%	18.8%	18.6%
Aug	9.7%	14.0%	20.2%	28.1%	26.6%	18.8%	19.5%
Sep	10.2%	15.5%	21.2%	27.6%	22.4%	15.1%	18.7%
Oct	12.2%	11.4%	21.2%	27.1%	22.4%	15.6%	18.3%
Nov	11.7%	12.4%	22.3%	23.4%	24.5%	13.0%	17.9%
Dec	12.8%	14.5%	20.2%	24.0%	21.4%	14.1%	17.8%
Jan	13.8%	17.1%	22.8%	24.0%	21.4%	10.4%	18.2%
Feb	14.8%	17.1%	24.4%	22.4%	20.8%		19.9%
Mar	12.2%	16.6%	25.9%	24.0%	21.4%		20.0%
Apr	13.3%	15.0%	27.5%	25.0%	19.8%		20.1%
May	14.3%	15.5%	29.0%	25.5%	17.7%		20.4%
Jun	15.3%	15.0%	28.5%	26.0%	18.2%		20.6%
Total	12.4%	14.9%	23.5%	25.3%	21.8%	15.1%	19.1%

Vacant Count



Department Overview: Commissioner's Office

Mission: The mission of the Department of Revenue is to collect, distribute, and invest funds for public purposes.

FY2026 Governor Proposals

- No major changes

Fund Group	FY2026 Adj. Base	FY2026 Gov	FY2026 Adj. Base to FY2026 Gov	% Change
UGF	746.4	746.4	0.0	0.0%
DGF	0.0	0.0	0.0	0.0%
Other	690.3	690.3	0.0	0.0%
Fed	361.9	361.9	0.0	0.0%
Total	1,798.6	1,798.6	0.0	0.0%



Department Overview: Administrative Services Division

Mission: To provide efficient, cost-effective, and customer-focused administrative, financial, budget, human resources, procurement, and IT services.

FY2026 Governor Proposals

- Align Federal Indirect Revenue: -\$230.0 Other, \$230.0 Fed

Fund Group	FY2026 Adj. Base	FY2026 Gov	FY2026 Adj. Base to FY2026 Gov	% Change
UGF	842.4	842.4	0.0	0.0%
DGF	0.0	0.0	0.0	0.0%
Other	2,168.3	1,938.3	-230.0	-10.6%
Fed	501.7	731.7	230.0	45.8%
Total	3,512.4	3,512.4	0.0	0.0%



Department Overview: State Facilities Rent

Mission: Provide and present operating expenditures for the annual facility operations, annual maintenance and repair, and periodic renewal and replacement of buildings and facilities.

FY2026 Governor Proposals

- Create a new budget structure to record facility rent payments: \$2,216.5 Other
- Three additional budget structures are created for the same purpose throughout the department's budget structure for the Long Term Care Ombudsman, the Alaska Housing Finance Corporation, and the Alaska Permanent Fund Corporation

Fund Group	FY2026 Adj. Base	FY2026 Gov	FY2026 Adj. Base to FY2026 Gov	% Change
UGF	0.0	0.0	0.0	0.0%
DGF	0.0	0.0	0.0	0.0%
Other	0.0	2,216.5	2,216.5	100.0%
Fed	0.0	0.0	0.0	0.0%
Total	0.0	2,216.5	2,216.5	100.0%



Department Overview: Alaska Mental Health Trust Authority

Mission: To administer the Alaska Mental Health Trust as a perpetual trust and to ensure Alaska has a comprehensive and integrated mental health program to support the needs of Trust beneficiaries.

FY2026 Governor Proposals

- The Alaska Mental Health Trust Authority practices zero-based budgeting
- Net increases for Merit, Cost of Living, Health, and Benefit Adjustments: \$300.0 MHT Admin (Other)

Fund Group	FY2025 Management Plan	FY2026 Adj. Base	FY2026 Gov	FY2025 MP to FY2026 Gov	% Change
UGF	0.0	0.0	0.0	0.0	0.0%
DGF	0.0	0.0	0.0	0.0	0.0%
Other	5,203.3	196.5	5,503.3	300.0	5.8%
Fed	0.0	0.0	0.0	0.0	0.0%
Total	5,203.3	196.5	5,503.3	300.0	5.8%



Department Overview: Long Term Care Ombudsman Office

Mission: To provide resident-centered advocacy designated to protect the health, safety, welfare and rights of Alaska seniors, age 60 and over living in long-term care facilities.

FY2026 Governor Proposals

- Increase Facility Visits and Investigations: \$144.0 GF/MH, add one Full-time Position

Fund Group	FY2026 Adj. Base	FY2026 Gov	FY2026 Adj. Base to FY2026 Gov	% Change
UGF	614.3	758.3	144.0	23.4%
DGF	0.0	0.0	0.0	0.0%
Other	464.5	464.5	0.0	0.0%
Fed	0.0	0.0	0.0	0.0%
Total	1,078.8	1,222.8	144.0	13.3%



Department Overview: Alaska Housing Finance Corporation (AHFC)

Mission: To provide Alaskans access to safe, quality, affordable housing.

FY2026 Governor Proposals

- Authority to Support Contractual Obligations: \$600.0 Other, \$1,067.0 Fed

Fund Group	FY2026 Adj. Base	FY2026 Gov	FY2026 Adj. Base to FY2026 Gov	% Change
UGF	3,185.0	3,185.0	0.0	0.0%
DGF	0.0	0.0	0.0	0.0%
Other	42,468.5	43,068.5	600.0	1.4%
Fed	69,763.1	70,830.1	1,067.0	1.5%
Total	115,416.6	117,083.6	1,667.0	1.4%



Department Overview: Alaska Sustainable Energy Corporation

FY2026 Governor Proposals

- New Subsidiary Established under Ch25 SLA2024 (HB273)
- Multi-Year Federal Authority to Support Energy Infrastructure Investments: \$20,000.0 Fed (FY2026-FY2028)

Fund Group	FY2026 Adj. Base	FY2026 Gov	FY2026 Adj. Base to FY2026 Gov	% Change
UGF	457.0	457.0	0.0	0.0%
DGF	0.0	0.0	0.0	0.0%
Other	0.0	0.0	0.0	0.0%
Fed	0.0	20,000.0	20,000.0	100.0%
Total	457.0	20,457.0	20,000.0	4,376.4%



Department Overview: Alaska Permanent Fund Corporation (APFC)

Mission: To manage and invest the assets of the Permanent Fund and other funds designated by law.

FY2026 Governor Proposals

- Increase Incentive Compensation: \$810.0 Other
- Add one Portfolio Manager for Public Equities: \$391.6 Other
- Increases to Services and Commodity Activities: \$510.5 Other
- Third Party Travel Reimbursement: \$250.0 Other

Fund Group	FY2026 Adj. Base	FY2026 Gov	FY2026 Adj. Base to FY2026 Gov	% Change
Other	28,634.8	30,739.9	2,105.1	7.4%
Total	28,634.8	30,739.9	2,105.1	7.4%



Department Overview: APFC Investment Management Fees

Mission: To manage and invest the assets of the Permanent Fund and other funds designated by law.

FY2026 Governor Proposals

- Investment Systems to Meet Data and Analytics Needs: \$810.8 Other
- Investment Due Diligence: \$521.7 Other

Fund Group	FY2025 Adj. Base	FY2025 Gov	FY2025 Adj. Base to FY2025 Gov	% Change
Other	198,163.6	199,496.1	1,332.5	0.7%
Total	198,163.6	199,496.1	1,332.5	0.7%



Thank you

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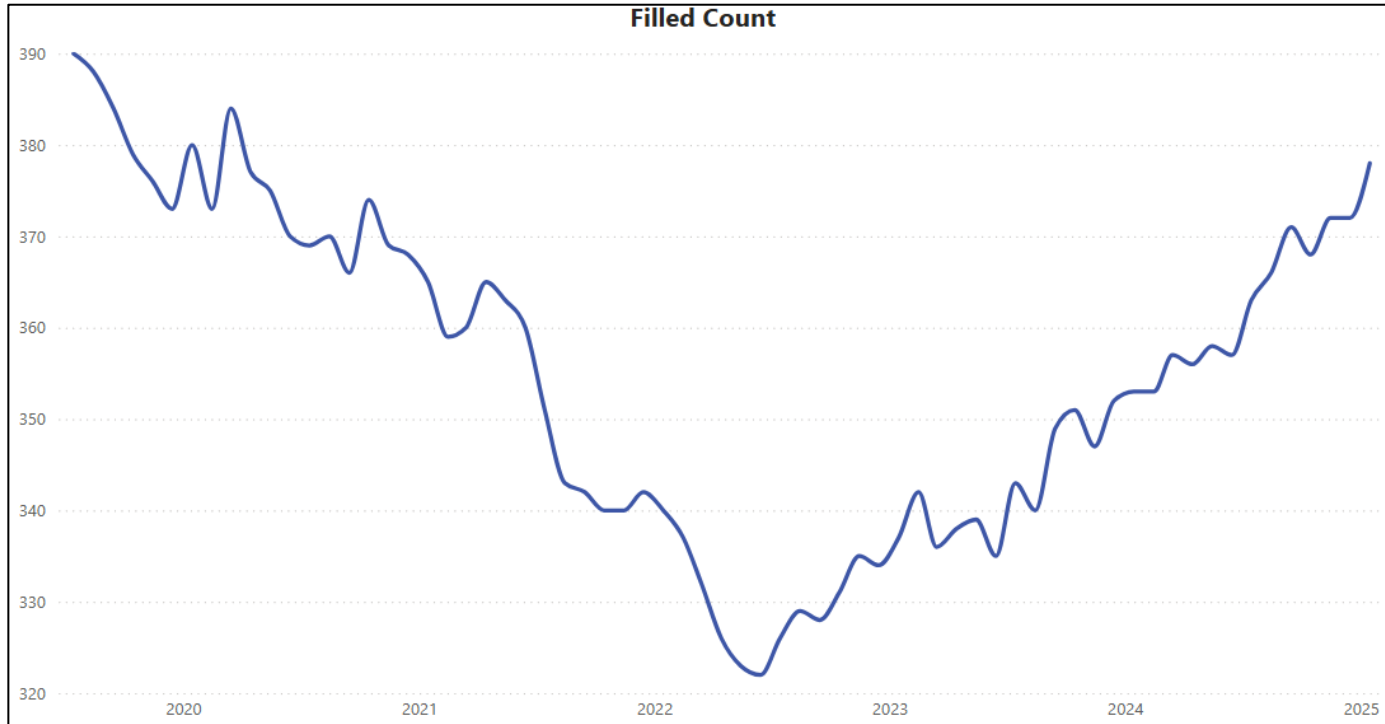
Appendix

The following two slides provide department vacancy and filled position history for reference.

Position History: Filled Count

Department of Revenue Filled Counts FY2020 – FY2025 (January 2025)

Permanent Full-Time Positions



Position History: Filled and Vacant by Division

Filled Count						
Division	2020	2021	2022	2023	2024	2025
Administrative Services	9	12	12	12	15	16
Child Support Enforcement	172	164	148	143	150	163
Commissioner's Office	2	4	4	3	4	4
Criminal Investigations Unit	2	7	6	8	8	8
Permanent Fund Dividend Division	63	60	53	52	57	61
Tax Division	90	80	76	78	80	82
Treasury Division	38	36	34	33	34	32
Unclaimed Property	3	3	4	4	4	4
Total	379	366	337	334	351	370

Filled %						
Division	2020	2021	2022	2023	2024	2025
Administrative Services	75%	91%	99%	81%	79%	80%
Child Support Enforcement	88%	85%	77%	75%	78%	85%
Commissioner's Office	69%	100%	88%	83%	71%	80%
Criminal Investigations Unit	100%	88%	80%	100%	94%	98%
Permanent Fund Dividend Division	95%	92%	82%	81%	89%	96%
Tax Division	87%	83%	81%	83%	85%	87%
Treasury Division	92%	89%	83%	81%	83%	78%
Unclaimed Property	100%	81%	96%	100%	100%	100%
Total	89%	86%	80%	79%	82%	86%

Vacant Count						
Division	2020	2021	2022	2023	2024	2025
Administrative Services	3	1	0	3	4	4
Child Support Enforcement	24	29	45	49	42	29
Commissioner's Office	1	0	1	1	2	1
Criminal Investigations Unit	0	1	2	0	1	0
Permanent Fund Dividend Division	4	5	11	12	7	3
Tax Division	13	16	18	16	14	12
Treasury Division	3	4	7	8	7	9
Unclaimed Property	0	1	0	0	0	0
Total	48	57	84	88	77	58

Vacant %						
Division	2020	2021	2022	2023	2024	2025
Administrative Services	25%	9%	1%	19%	21%	20%
Child Support Enforcement	12%	15%	23%	25%	22%	15%
Commissioner's Office	31%	0%	13%	17%	29%	20%
Criminal Investigations Unit	0%	13%	20%	0%	6%	2%
Permanent Fund Dividend Division	5%	8%	18%	19%	11%	4%
Tax Division	13%	17%	19%	17%	15%	13%
Treasury Division	8%	11%	17%	19%	17%	22%
Unclaimed Property	0%	19%	4%	0%	0%	0%
Total	11%	14%	20%	21%	18%	14%