



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Commerce, Community, and
Economic Development

DIVISION OF ADMINISTRATIVE SERVICES

P.O. Box 110803
Juneau, Alaska 99811-0803
Main: 907.465.2505
Fax: 907.465.2563

April 3, 2025

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

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

The Honorable Representative Calvin Schrage
Co-Chair, House Finance Committee
Alaska State Capitol, Room 410
Juneau, Alaska 99801

Dear Co-Chairs Josephson, Foster, and Schrage,

Thank you for inviting the Department of Commerce, Community, and Economic Development (DCCED) to present an overview of the department's FY2026 Budget by Commissioner Julie Sande and Administrative Services Director Hannah Lager to the House Finance Committee on March 4, 2025. This letter completes the responses to questions and requests for follow-up information from this hearing. All the dollar figures presented in this document and attachments are in thousands unless otherwise noted.

1. Provide a breakout of the 30 fund source codes and the RDU/Components they support.

Please refer to "Attachment 1 – DCCED FY2024 Actuals by Fund Source with Description."

2. Provide additional information on the timing of the Alaska Broadband Equity Access and Deployment (BEAD) grant program.

The Infrastructure Investment and Jobs Act required specific deliverables for the BEAD program including an "Initial Proposal". The U.S. Department of Commerce, National Telecommunications and Information Administration (NTIA) broke this Initial Proposal down into two volumes: Volume I of the Initial Proposal is the evaluation of all the Broadband Serviceable Locations (BSLs) in the state through an "In-State Mapping Challenge" process; Volume II of the Initial Proposal is the development of the "Alaska Broadband Grant Program".

The BEAD funding was allocated by the U.S. Department of Commerce on June 30, 2023. The Alaska Broadband Office (ABO) submitted draft Volume I to the NTIA in October 2023 and draft Volume II to the

NTIA in December 2023. Before the Alaska Broadband Grant Program could be approved, the In-State Mapping Challenge process had to be approved, run, and the results reviewed and approved by the NTIA.

Volume I In-State Mapping Challenge

The Volume I In-State Mapping Challenge was developed using data from the Federal Communications Commission (FCC). The early versions of the FCC's broadband mapping completely omitted more than 65 Alaska communities from the map, so the ABO worked with the FCC and the NTIA to revise the maps prior to the beginning of In-State Mapping Challenge. There was also significant curing of the In-State Mapping Challenge process between ABO's draft submittal in October 2023 and receipt of approval by the NTIA in March 2024. In April 2024, the ABO launched the 120-day In-State Mapping Challenge, which concluded in August 2024. In November 2024, the final In-State Mapping Challenge results were approved by NTIA.

Volume II Alaska Broadband Grant Program

The most significant and time-consuming issue for the Alaska Broadband Grant Program was a footnote requirement in the federal BEAD Notice of Funding Opportunity (NOFO) that was inconsistent with the Alaska Native Claims Settlement Act. This issue was resolved in late September 2024. Following NTIA approval, the Alaska BEAD grant program NOFO was posted for the required 30-day public comment period in October/November 2024. The online grant portal opened December 16, 2024. The 120-day application period is scheduled to close April 14, 2025.

3. How many vacant positions does the department have right now? Where is the funding for these vacancies going?

Please refer to "Attachment 2 – Vacant Positions Greater Than 6-Months as of 2-13-25 OMB", submitted to the House Finance Committee via the Office of Management and Budget on February 26, 2025.

4. Does the BEAD grant program require potential grantees to plan for operations and maintenance needs of the infrastructure once deployed?

Criterion 6 – Project Sustainability in the Alaska Broadband Grant Program application requires applicants to provide a sustainability model (Appendix E) in their application. Applicants are provided with the Appendix E template so they will know immediately if their project is sustainable. More information and Appendix E can be found on the Alaska Broadband Grant Program webpage:
<https://www.commerce.alaska.gov/web/abo/AlaskaBroadbandGrantProgram.aspx>.

5. Provide additional detail on the grants included in the FY2026 operating budget for the Division of Community and Regional Affairs.

This question refers to slide 14 of the DCCED overview presentation. The grants listed below are included in the FY2026 operating budget and are administered by the Division of Community and Regional Affairs. Please refer to "Attachment 3 – DCCED Grants Info" for the latest grant updates.

Alaska Legal Services Corporation - \$712.6 (\$400.0 UGF, \$312.6 DGF)

The Alaska Legal Services Corporation (ALSC) provides free civil legal services to economically disadvantaged Alaskans to protect their safety, health, and promote family stability. ALSC receives two grants in the operating budget: \$400.0 from the general fund and \$312.6 from the civil legal services fund

per AS 37.05.590. These funds are used for ALSC's program operations. More information about ALSC can be found on their website: <https://www.alsc-law.org/about/>.

Alaska Marine Safety Education Association - \$198.0 DGF

The Alaska Marine Safety Education Association's (AMSEA) mission is to reduce injury or death in the marine and freshwater environment through education and training provided by a network of qualified marine safety instructors. They provide numerous courses and resources for marine safety. This grant provided to AMSEA under AS 37.05.316, Grants to Named Recipients, to provide marine safety education. More information about AMSEA can be found on their website: <https://www.amsea.org/>.

Inter-Island Ferry Authority - \$250.0 UGF

The Alaska Inter-Island Ferry Authority's mission is to provide safe, reliable, and efficient ferry services that connect Ketchikan and Prince of Wales (POW) Island. This funding supports the daily ferry service between POW Island and Ketchikan. The scope of work includes operational costs such as fuel, utilities, layby, operational payroll and benefits, unexpected maintenance expenses, and matching funds for their Federal 5311 Rural Transportation grants administered by the U.S. Department of Transportation, Federal Transit Administration. More information about the Inter-Island Ferry Authority can be found on their website: <https://interislandferry.com/>.

Life Alaska Donor Services - \$80.0 DGF

Life Alaska Donor Services facilitates the tissue donation process in Alaska, providing thousands of tissues for transplantation to Alaskan patients and throughout the world. They also provide tissue distribution to local surgeons, manage the Alaska Donor Registry, amongst other services. This grant is provided to Life Alaska under AS 37.05.316 for use towards the Anatomical Awareness Fund. The funding will support maintenance and development of the Alaska Donor Registry (ADR) hardware and software, expenses related to education to Alaskans regarding organ and tissue donation, transplantation, and ADR enrollment. More information about Life Alaska Donor Services can be found on their website: <https://lifealaska.org/>.

Native Village of Napaimute – Kuskokwim Ice Road - \$185.0 UGF

This grant is provided to the Native Village of Napaimute under AS 37.05.315 for use towards maintenance of the Kuskokwim Ice Road. The Native Village of Napaimute will establish and maintain the ice road, including planning, assessment, procurement of supplies, and equipment maintenance and repairs to serve rural communities from Bethel to Napaimute.

Volunteers of America Alaska - \$1,100.4 UGF

Volunteers of America Alaska (VOAA) is an affiliate of Volunteers of America and provides behavioral health and well-being services to youth, young adults, and their families at low- or no-cost. No one is ever turned away due to an inability to pay for their services. This grant is provided under AS 37.05.316 to enhance the level of residential continuum of care, promoting long-term sustainability and provide withdrawal management services to youth, assisting high risk youth. This grant was added by the legislature as a temporary increment for FY2025, with direction that it should be continued in FY2026. These funds will allow VOAA to foster new and existing partnerships by conducting community visits to rural hubs for face-to-face meetings with tribal health, school districts, and other community agencies, as well as promote awareness of the singular residential substance use treatment facility for youth in the state. Grant funds may include personnel, travel, training, contractual, supplies, and administrative costs. More information about VOAA can be found on their website: <https://voaak.org/>.

6. Provide additional information on military spouses in Alaska, and how the department has worked to support military spouses.

The Division of Corporations, Business, and Professional Licensing (CBPL) implemented the federal Servicemembers Civil Relief Act (SCRA) Licensure Portability provisions last summer (2024) and has since received nothing but compliments on the speediness of the process from our active-duty military members and spouses coming to Alaska on orders. Since implementation, CBPL has issued 73 permanent professional licenses under SCRA, 33 of which were to nurses. For programs with executive administrators who have been delegated authority by the board to issue licenses (such as medical, nursing, and pharmacy), licenses are issued within three business days of the date a complete application is on file. For those without executive administrators, it can take a couple weeks for the license to be approved due to the need to obtain quorum approval from volunteer board members. Military members or spouses stating licensure is taking a long time should notify CBPL to identify the cause of the delay.

For military members or spouses who do not qualify under SCRA, the division still offers expedited processing of their application under Alaska's standard requirements if they notify us of their military status. The militarylicense@alaska.gov email inbox, as well as all SCRA applications, are handled personally by the division's Deputy Director to ensure quick processing.

With all that said, the U.S. Department of Defense and many military families have continued to stress to us that while the SCRA laws make it easier to transfer between states, the "gold standard" for licensure portability is licensure compacts, and that's one of the many reasons why passage of Nurse Licensure Compact legislation is the department's top priority and why we are supportive of compacts in general. You can find more information on the SCRA law on the division's military licensing webpage: <https://www.commerce.alaska.gov/web/cbpl/ProfessionalLicensing/MilitaryLicensing.aspx>.

Please let me know if you have any additional questions.

Sincerely,



Hannah Lager
Administrative Services Director

Enclosures: Attachment 1 – DCCED FY2024 Actuals by Fund Source with Description
Attachment 2 – Vacant Positions Greater Than 6-Months as of 2-13-25 OMB
Attachment 3 – DCCED Grants Info (provided separately as a ZIP file)

cc: Jordan Shilling, Director, Governor's Legislative Office
Robert Lumba, Program Budget Analyst, Office of Management and Budget
Josie Stern, Policy Analyst, Office of Management and Budget
Rob Carpenter, Deputy Director, Legislative Finance Division