



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Office of the Governor

OFFICE OF MANAGEMENT AND BUDGET
Lacey Sanders, Director

Court Plaza Building
240 Main Street, Suite 801
Juneau, Alaska 99811-0020
Main: 907.465.4660
Fax: 907.465.2090

May 2, 2025

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

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

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

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

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

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

Re: FY 2026 Operating Budget Amendments HB 53 / SB 56
FY 2026 Mental Health Budget Amendments HB 55 / SB 58

Dear Finance Committee Co-Chairs,

Enclosed, please find amendments to the FY2026 operating and mental health budgets that provide an overall increase totaling \$80,403.4. These amendments increase Unrestricted General Fund (UGF) appropriations by \$33,417.3, designated general funds by \$9,529.9, and federal and other funds by \$37,527.0 from the Governor's December 12, 2024, February 19, 2025, March 5, 2025, March 13, 2025, and April 25, 2025, budget proposals.

These amendments reflect the bargaining agreement reached between the State of Alaska and the Alaska State Employees Association, for the General Government Unit (GGU).

The terms of the agreement for fiscal year (FY) 2026 are as follows (all dollar figures presented are in whole dollars):

- Effective July 1, 2025, the base salaries will increase by 1.25 percent.
- Effective July 1, 2025, the employer's health insurance premium contributions will increase from \$1,579.50 to \$1,879 per month.

FY2026 terms continued:

- Effective July 1, 2025, the base wages will be increased by 1.75 percent as a recruitment and retention bonus.
- Effective July 1, 2025, permanent full-time employees employed on July 1, 2025, will receive a one-time lump sum payment of \$2,500 minus mandatory deductions.
- Effective July 1, 2025, Certified Nurse Aides and Assisted Living Aides employed at the Division of Alaska Pioneer Homes who pass an apprenticeship with Dementia Specialty will continue to receive an additional pay step.
- Effective July 1, 2025, Wildland Fire and Resource Technician and/or Wildland Fire Forestry technicians will continue to receive 30 percent above base wages until the implementation of the classification study.
- Effective July 1, 2025, the State will make health insurance contributions on behalf of Wildland Fire and Resource Technician and/or Wildland Fire Forestry technicians who are on seasonal compensatory time.

Thank you for your consideration of these budget amendments.

Sincerely,



Lacey Sanders

Director

Enclosure

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