



THE STATE  
of **ALASKA**  
GOVERNOR MIKE DUNLEAVY

**Office of the Governor**

OFFICE OF MANAGEMENT AND BUDGET  
Lacey Sanders, Director

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May 1, 2025

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

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

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

Dear Co-Chairs Josephson, Schrage, and Foster,

Thank you for inviting the Office of Management and Budget (OMB) to present an overview of the Governor's FY2026 Amended Budget to the House Finance Committee on April 29, 2025. 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 thousands unless otherwise noted.

1. **Of the \$165.1 million projected deficit for FY2025, how much of that is due to oil prices going down?**

Of the \$165.1 million, \$73.3 million is due to the shortfall in revenue.

2. **What is the impact of the House amendments that added Capital Improvement Program (CIP) Receipt Authority to the Department of Transportation and Public Facilities (DOT&PF) for capacity for planning under the Design, Engineering and Construction appropriation for the Central, Southcoast, and Northern Regions?**

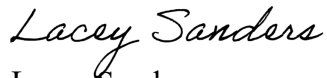
These House amendments added a total of \$3,289.5 in CIP Receipt Authority under the Design, Engineering and Construction appropriation (\$1,096.5 each for the Central, Southcoast, and Northern Regions) with the intent that the funds support additional staffing

in pre-construction services to ensure the State is fully deploying federally funded surface transportation projects.

These amendments do not create or provide for additional federal funding and do not specifically add positions. Specific federal program funding with an eligible use of addressing increased pre-construction services will need to be identified to meet the intent of this amendment.

Please contact my office if you have further questions.

Sincerely,

A handwritten signature in cursive script that reads "Lacey Sanders".

Lacey Sanders  
Director

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