

**Department of Commerce, Community and Economic Development
FY22 - Mid-Year Status Report**

Item #	Approp/ Allocation	Description	Amount / Fund Source	Comment	LFD Questions	Agency Comments
1	Community and Regional Affairs / Community and Regional Affairs	Extend COVID-19 Community Grants Through FY22	Net Zero / COVID Fed	<p>Coronavirus Aid, Relief, and Economic Security (CARES) Act</p> <p>This appropriation extends authority through FY22 for Community Direct RPLs (08-2020-0260 through 08-2020-0382) approved by the Legislative Budget and Audit committee on May 11, 2020 and ratified by the full legislature on May 20, 2020. Some of the impacted communities have not been able to fully obligate their allocation in FY21 and this extension provides additional flexibility to address impacts of the COVID-19 pandemic.</p> <p>This is COVID-19 Federal funding, which Legislative Finance Division is tracking using fund code 1265.</p>	Please provide an update on the status of these community grants.	DCRA distributed \$565,623.7 as of 12/30/2021. DCRA will distribute additional funds as communities with expenditures prior to 12/30/2021 submit requests for distribution.
2	Community and Regional Affairs / Community and Regional Affairs	Named Recipient Grant for the Native Village of Napaimute for Kuskokwim Ice Road	\$185.0 UGF	The legislature originally added grant funding totaling \$370.0 for maintenance of the Kuskokwim Ice Road, which was initially under the Department of Transportation and Public Facilities. The Governor vetoed half of the funding.	Was this grant disbursed? How much of the grant has been executed?	This grant was executed on 10/11/2021. A total of \$37.0 has been expended as of 11/17/2021.
3	Community and Regional Affairs / Community and Regional Affairs	Sec 16(a), HB 69 ARPA CSLFRF Allocation - Coronavirus Local Pass-Thru Funding (FY21-FY24)	\$185,395.7 COVID Fed	<p>American Rescue Plan Act (ARPA)</p> <p>This multi-year funding is for Alaska communities defined as nonentitlement local governments and counties" within the Act that will pass through the department to communities as grants based on the allocation methodology established in the Act and clarified by Treasury."</p>	Please provide an update on the status of these funds. How much has been executed?	As of 12/21/21, DCRA has distributed the following funds: \$21,526.6 to communities identified as Nonentitlement Units of Local Government and \$7,393.3 to Census Area communities. The Borough allocation was distributed directly by the federal government.

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4	Community and Regional Affairs / Community and Regional Affairs	Named Recipient Grant to Tanana Chiefs Conference Sobering Center	\$350.0 UGF IncOTI	The legislature added one-time grant funding to the Tanana Chiefs Conference Sobering Center in Fairbanks to assist in providing temporary, safe shelter for intoxicated individuals, and offer basic medical screening and close monitoring of clients.	Was this grant disbursed? How much of the grant has been executed?	The grant was executed on 11/30/2021 and no funds have been expended as of 1/4/2022.
5	Corporations, Business and Professional Licensing / Corporations, Business and Professional Licensing	Increase Authority for Prescription Drug Monitoring Program Software and Positions	\$680.0 I/A Rcpts (Other)	This increase in authority allows the Division of Corporations, Business and Professional Licensing (CBPL) to receive a portion of the funding that was awarded to the Department of Health and Social Services (DHSS) by the U.S. Bureau of Justice Assistance and SAMHSA for the Prescription Drug Monitoring Program (PDMP). PDMP is an electronic database administered by CBPL that tracks controlled substance prescriptions in the state. The program was implemented in FY17 with passage of Ch. 25, SLA 2016 (SB 74). Funding will be received by CBPL through a Reimbursable Services Agreement with DHSS.	What is the status of the RSA with DHSS? How many positions within CBPL are funded through this RSA?	The RSA with DHSS is active and is anticipated to provide funding through FY2024. The RSA is fully funding four positions, two of which are filled. There are ten other positions that bill to the RSA through positive time keeping. These positions are typically billing 5-15 percent of their time to the RSA.

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6	Economic Development / Economic Development	Transfer Alaska Development Team Staff to the Office of the Governor for Statewide Economic Development	(\$239.2) UGF (2) PFT Positions	This request transfers the Alaska Development Team positions within the Economic Development allocation and their associated funding to the Office of the Governor. -Full-time Business Development Officer (08-1274), range 27, located in Anchorage -Full-time Development Manager (08- T007), range 28, located in Anchorage One non-permanent Development Assistant position and the Division Director will remain in the Economic Development appropriation.	What is the plan going forward with the Economic Development allocation?	The Governor's proposed FY2023 budget transfers the Director position from the Economic Development component to the Investments component, and the remaining (filled) development assistant to the Commissioner's Office.
7	Alaska Seafood Marketing Institute / Alaska Seafood Marketing Institute	Increase Federal Grant Authorization for Future Awards	\$1,100.0 Fed Rcpts	The Alaska Seafood Marketing Institute (ASMI) has submitted two pre-proposals for federal grants pending award in the Fall of 2021 to supplement the seafood marketing assessment. This increase in authority will allow ASMI to accept those grants.	Did ASMI ever receive the two grant awards? If so, what grants and how much?	ASMI applied for two Saltonstall-Kennedy (SK) grants and was awarded one of the two. The successfully awarded grant was for \$298.5, which ends August 31, 2023. ASMI also received an additional \$500.0 in federal USDA Market Access Program funds that were carryover from the previous fiscal year due to ongoing challenges from the pandemic.

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8	Alaska Seafood Marketing Institute / Alaska Seafood Marketing Institute	CSLFRF Trade Promotion Funding	\$7,000.0 CSLFRF (Fed)	American Rescue Plan Act (ARPA) The legislature originally added \$10 million of this funding for trade promotion of Alaska's seafood products. The Governor vetoed \$3 million of this appropriation.	Please provide a status update on the use of these funds. What are the impacts of the \$3 million veto? How much is currently spent? Are funds fully obligated?	As of Jan 1, 2022 ASMI has spent \$443.4 and encumbered \$1,784.8 of the awarded ARPA funds. ASMI recently received updated guidance on how the agency may use ARPA funding and is moving forward with encumbering the remaining balance. ARPA funding will be obligated to ASMI marketing activities to promote Alaska seafood domestically and abroad. A smaller amount of ARPA will offset lost revenue resulting from reduced value of Alaska's fisheries due to the pandemic. The \$3 million veto reflected the \$3 million allocation of CARES funding directed to ASMI. Of that, ASMI was able to spend \$2.6 million prior to the close of FY2021.
9	Various	SB 55, Ch. 9 SLA 2021 Employer Contributions to PERS	\$1,535.5 UGF	SB 55 removes the 22% cap on payroll contributions to the Public Employee Retirement System (PERS) for the State of Alaska as a PERS employer. The budgetary impact of this legislation is reflected as a shift from the direct appropriation to PERS, which is typically funded with UGF, to agency payroll, where the cost can be spread across all fund sources. Specifically, the UGF impact to the Department of of Commerce, Community and Economic Development is \$1,535.5 spread across multiple allocations.	The out-years of the SB55 fiscal note identify other fund sources to replace this UGF. Are those fund sources realizable going forward?	As part of the fiscal note process for SB55, OMB worked with departments to identify fund sources that would not be realizable and backfill them with UGF. The department is not aware of any additional areas of concern at this time. The department will continue to monitor this through the projections process and will notify OMB if there are any concerns identified.