



February 13, 2026

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

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

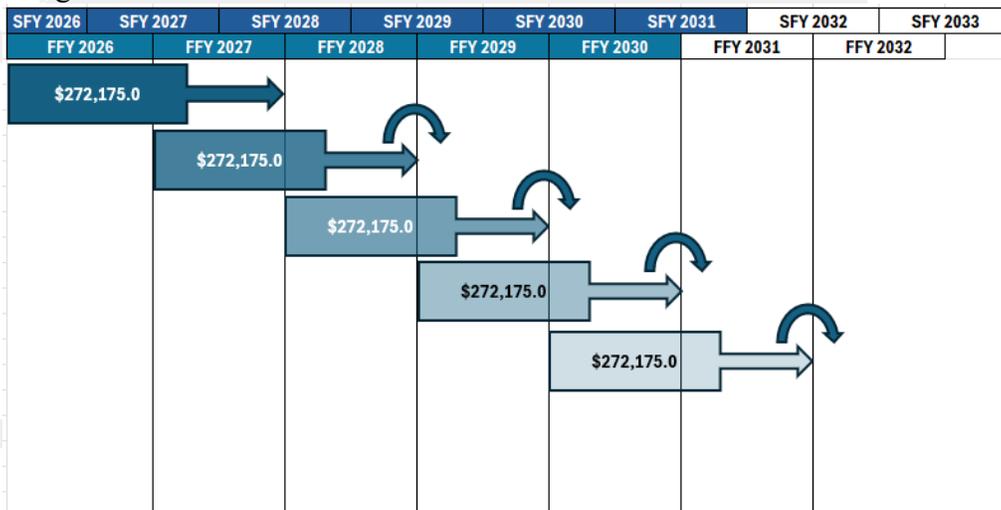
The Honorable Calvin Schrage  
Co-Chair, House Finance Committee  
Alaska State Capitol, Room 410  
Juneau, AK 99801

Dear Co-Chairs Foster, Josephson, and Schrage,

Thank you for inviting the Office of Management and Budget (OMB) to present an overview of the Governor’s FY2026 Supplemental Budget to the House Finance Committee on February 4, 2026. 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 whole dollars unless otherwise noted.

**1. Provide the Rural Health Transformation federal grant timeframe graphic.**

The below graphic provides the timeframe for spending the Rural Health Transformation federal grant.



**2. Provide information on the planning and progress for the information technology (IT) modernization for the Department of Health, Division of Public Assistance (DPA).**

Attached are three IT project roadmap documents for IT modernization in the DPA:

- *DPA IT Project Roadmap - Next 6 Months.pdf*
- *DPA IT Project Roadmap - Planned.pdf*
- *DPA IT Project Roadmap - Completed.pdf*

**3. Why do we need another million-dollar supplemental appropriation for statehood defense? What are the balances of the existing appropriations? How many pieces of litigations does the state currently have?**

The latest appropriation made for Statehood Defense authorized \$5 million in unrestricted general funds from FY2024 – FY2026. Expenditures for this appropriation in FY2024 and FY2025 have totaled \$4,768,973. There is an unobligated balance remaining of \$135,769 and obligated encumbrances of \$95,259 (see attachment *Statehood Defense Multi-year Appropriation as of 01-28-2026 WSDF.pdf*). It is anticipated that the remaining balance will be fully expended before the end of FY2026, thus the Department of Law requests an additional appropriation to support Statehood Defense efforts.

Please find attached *Unleashing Alaska Funding Plan 2.9.26.pdf* for a list of all Statehood Defense litigation. There are currently 13 ongoing cases.

Please contact my office if you have further questions.

Sincerely,

*Lacey Sanders*

Lacey Sanders  
Director

Enclosure: DPA IT Project Roadmap - Next 6 Months.pdf  
DPA IT Project Roadmap - Planned.pdf  
DPA IT Project Roadmap - Completed.pdf  
Statehood Defense Multi-year Appropriation as of 01-28-2026 WSDF.pdf  
Unleashing Alaska Funding Plan 2.9.26.pdf

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