

DEPARTMENT OF MILITARY & VETERANS' AFFAIRS
FY19 - Summary of Significant Budget Issues

Governor's Budget Items Approved as Requested

Item #	Approp/Allocation	Description	Amount/Fund Source	Comment
1	Military and Veterans' Affairs/ Office of the Commissioner	Rural Engagement – Expand the Alaska State Defense Force	\$210.9 UGF	<p>The legislature approved the Governor's request to expand rural engagement in the Alaska State Defense Force (ASDF). According to the department, the action will increase rural community emergency capacity and resiliency, and assist in meeting Alaska's needs in a changing Arctic.</p> <p>Because the National Guard force structure is dictated by federal authorities, a request for increased troop strength requires considerable lead time. The goal for the ASDF over the next three-to-five years is to expand to include an 81-member headquarters battalion in Bethel and three 77-person companies. Each of the companies would be comprised of 4 or 5-person Scout teams across Western Alaska, but initially concentrated in the Yukon-Kuskokwim Delta region.</p> <p>Funding will be used to form and equip an initial force composed of the headquarters team and one company of Scouts. State funding is necessary because federal regulations prohibit using federal funding for the ASDF.</p>
2	Military and Veterans' Affairs/ Air Guard Facilities Maintenance	Funding to Support C-17 Facility Operations/ Maintenance	<p>Total: \$884.0</p> <p>\$663.0 Federal Receipts</p> <p>\$221.0 G/F Match (UGF)</p> <p>5 PFT Positions</p>	<p>C-130 aircraft operations are being reduced throughout the United States Air Force, with older planes being retired and not replaced. Alaska lost eight C-130 aircraft that supported the 176th Wing and provided assistance with search and rescue missions. To offset the loss, the Active Duty Air Force transferred eight C-17 aircraft to the Alaska Air National Guard (AKANG) in May 2017. These newly gained aircraft remain federal property but will be maintained and operated by the AKANG. Furthermore, the State of Alaska accepted responsibility for Facilities Operations/Maintenance for three buildings, totaling 480,000 square feet, supporting C-17 operations. These buildings were previously federally funded and now will be partially paid for by the State.</p> <p>The legislature authorized five new full-time positions (added in the FY18 Management Plan) and funding to support Facilities Operations/Maintenance of three buildings -- split between federal funds (75%) and general fund match (25%). The legislature also approved an FY18 supplemental request for the same purpose (see item 5).</p>

DEPARTMENT OF MILITARY & VETERANS' AFFAIRS
FY19 - Summary of Significant Budget Issues

Governor's Budget Items Approved with Modifications

Item #	Approp/Allocation	Description	Amount/Fund Source Requested	Amount Approved	Comment
3	Military and Veterans' Affairs/ Veterans' Services	Veterans' Service Officer	\$100.0 UGF	\$100.0 UGF IncOTI	<p>The Department of Military and Veterans' Affairs received a one-time increase to their federal/State Administrative Agency grant award to pay for a program manager position and its associated costs. The position was previously paid for with \$100.0 UGF and that funding was maintained in the Veterans' Services base budget. Per the department:</p> <ul style="list-style-type: none"> • In FY19, Veterans' Services will utilize the available UGF to bring on an additional Veterans' Services Officer. • The department also expressed concern that the federal/State Administrative Agency grant may be uncertain in future years. <p>The legislature removed \$100.0 UGF from the base budget and added it back as an one-time increment (IncOTI) so funding needs may be reviewed during the next legislative session.</p>

Denied Governor's Request

Item #	Approp/Allocation	Description	Amount/Fund Source	Comment
4	Military and Veterans' Affairs/ Office of the Commissioner	New Special Assistant Position	\$161.4 UGF 1 PFT Position	<p>The legislature denied the addition of a new Special Assistant position. According to the department, this position would have been a part of a coherent engagement strategy with DOD and other key stakeholders (federal military senior officials, Congressional Delegation, local base retention groups, and members of the public) designed to protect and potentially grow DOD investment in Alaska. The legislature also denied a FY18 supplemental request for \$94.1 UGF to support the cost of the position from December 1, 2017 through June 30, 2018.</p>

DEPARTMENT OF MILITARY & VETERANS' AFFAIRS
FY19 - Summary of Significant Budget Issues

FY18 Supplemental Appropriation

Item #	Approp/Allocation	Description	Amount/Fund Source	Comment
5	Military and Veterans' Affairs/ Air Guard Facilities Maintenance	Funding to Support C-17 Facility Operations/ Maintenance	Total: \$525.6 \$394.2 Federal Receipts \$131.4 G/F Match (UGF) 2 PFT Positions	The legislature authorized two new full-time positions and funding in FY18 for Facilities Operations/Maintenance of three buildings supporting C-17 operations in FY18. Funding is split between federal funds (75%) and general fund match (25%). See item 2 for more details.