



Alaska State Legislature

Representative Matt Claman

January 2020 Community Council Update

Governor Dunleavy Releases FY2021 Budget — Last February, the governor proposed over \$1 billion in cuts to the operating budget, slashing funding for services ranging from the university to the ferry system to Medicaid in an effort to create a balanced budget that included a \$3,000 dividend. This year, in contrast, he has proposed a budget that largely flat funds essential services when compared with projected spending for FY20 (the FY20 budget plus an anticipated \$225 million supplemental budget), with funding for many services remaining unchanged from the current fiscal year. Though the budget is largely flat-funded, the governor has made reductions (beyond those made in FY20) to offset increases in formula-funded services like education and Medicaid and increases to the DOC and DPS. The following are some of the services cut (or cuts sustained from the FY20 budget):

- \$3 million from **VPSO Program** (*sustained from FY20*)
- \$250,000 eliminating funding for **Civil Air Patrol** (*sustained from FY20*)
- \$6.5 million from **Behavioral Health Treatment and Recovery Grants** (*sustained from FY20 with additional \$400,000 reduction in FY21*)
- \$3 million from **Public Broadcasting** (*sustained from FY20*)
- \$38 million from **Alaska Marine Highway System** (*sustained from FY20*)
- \$3.4 million from **Ocean Ranger Program** (*sustained from FY20*)
- \$2.5 million from **Power Cost Equalization**
- \$1.5 million from **Rural Energy Assistance**
- \$3.4 million eliminating **Economic Development line item**
- \$5.8 million from **Alaska Seafood Marketing Institute**
- \$25 million from **University of Alaska** (*on top of \$25 million cut in FY20*)
- \$9.4 million from **Pioneer Homes**
- \$16.6 million from **Palmer Correctional Center** (*instead of reopening PCC*)
- \$398,300 from **Suicide Prevention Council**
- \$3 million eliminating **Emergency Medical Services Grants**
- \$5 million from **Pre-Kindergarten Grants**
- \$232,900 from **Online with Libraries (OWL)**

The following are some of the spending increases in the governor's FY21 proposed budget:

- \$1.6 million for **Office of Public Advocacy**
- \$1 million for **Trial Courts**
- \$17.8 million for **Department of Corrections Out-of-State Contractual** (*part of continued efforts to send prisoners out-of-state. Proposal also moves allocations for Electronic Monitoring & Community Residential Centers under the Population Management appropriation, which would allow these funds (\$19 million) to go toward funding the out-of-state contractual at discretion of commissioner.*)
- \$7.4 million restoring funding for **Adult Public Assistance**
- \$27 million restoring funding for **Adult Dental Medicaid Services**
- \$9.1 million for **Alaska State Trooper Detachments**

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