



Governor Mike Dunleavy
STATE OF ALASKA

April 16, 2021

The Honorable Louise Stutes
Speaker of the House
Alaska State Legislature
State Capitol, Room 208
Juneau, AK 99801-1182

Dear Speaker Stutes:

Under the authority of Article III, Section 18 of the Alaska Constitution, I am transmitting a bill relating to appropriations of \$1.54 billion in federal relief funds from the American Rescue Plan Act.

This appropriation bill includes \$1.02 billion in state discretionary federal relief funds allocated to balance relief for impacted individuals and industries, Alaska's long-term economic development, and offsetting unrestricted general fund expenditures to improve Alaska's fiscal situation. The following broad categories are proposed allocations of the \$1.02 billion:

- Protecting Alaskans: \$80 million for emergency response to address economic impacts, the negative effects of domestic violence, food security, and assistance to households and individual Alaskans.
- Alaska Tourism Revitalization: \$150 million for industry relief, to promote tourism, and adapt services for the potential loss of another cruise ship season.
- Economic Recovery and Innovation: \$325 million of relief to businesses and organizations impacted by COVID-19, and to prepare Alaska's economy for investment as we reach the end of the pandemic and a return to normal life.
- Build Alaska – Infrastructure Investment: \$325 million for water, sewer, and broadband infrastructure investments.
- General Fund Offsets - \$139.3 million to provide state government services by offsetting existing general fund expenditures.

Additionally, \$112.3 million in federal funding is allocated to the State for capital projects directly enabling work, education, and health monitoring. This is a placeholder appropriation pending further detail from United States Treasury on the funding requirements and the application process, which should be made available on or before May 10, 2021.

The Honorable Louise Stutes

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The American Rescue Plan Act also provided \$230.7 million for payments to Alaska communities, of which \$185.4 million requires appropriation and distribution by the State of Alaska to communities based on a federal formula. This funding is included in this legislation.

Numerous state programs were awarded increased federal funding in the American Rescue Plan Act. Appropriations for these federal awards are included in this bill for items where sufficient guidance and details are known. This includes \$220 million for specific programs for public health and safety, workforce development, education, transportation, and emergency management. This amount represents the best-known information at this time of the total federal authorization that will be required for American Rescue Plan Act funding.

My administration will work with the legislature to refine these appropriations as additional guidance is provided by the federal government. I look forward to engaging with you to implement a robust plan for these funds for the benefit of all Alaskans.

Sincerely,



Mike Dunleavy
Governor

Enclosure



Governor Mike Dunleavy
STATE OF ALASKA

April 16, 2021

The Honorable Peter Micciche
Senate President
Alaska State Legislature
State Capitol, Room 111
Juneau, AK 99801-1182

Dear President Micciche:

Under the authority of Article III, Section 18 of the Alaska Constitution, I am transmitting a bill relating to appropriations of \$1.54 billion in federal relief funds from the American Rescue Plan Act.

This appropriation bill includes \$1.02 billion in state discretionary federal relief funds allocated to balance relief for impacted individuals and industries, Alaska's long-term economic development, and offsetting unrestricted general fund expenditures to improve Alaska's fiscal situation. The following broad categories are proposed allocations of the \$1.02 billion:

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Sincerely,



Mike Dunleavy
Governor

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