

Mike Dunleavy
Governor

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Office of the
Governor

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STATE OF ALASKA

PRESS RELEASE

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Moving Alaska Forward - Dunleavy Administration Releases FY24 Budget

Defines Governor Dunleavy's values for second term and beyond

December 15, 2022 (Juneau, AK) – Governor Mike Dunleavy's Fiscal Year 2024 (FY24) budget kicks off his second term in office by charting a new course for Alaska on resource development, energy production, public health and economic growth. It fully funds public education, the Alaska Marine Highway System, and Power Cost Equalization while still retiring millions of dollars in debt. The budget also continues to invest in public safety and leverages incoming federal infrastructure funds to the maximum extent possible. Funding is also included for a bold new initiative to market Alaska as more than just a tourist destination - a destination for American and international businesses seeking out new opportunities to grow their bottom line and diversify the state economy.

The Governor's commitment to a statutory PFD is represented in this budget. His FY24 budget calls for a full statutory PFD payment in 2023 to every eligible Alaskan.

As a result of Governor Dunleavy's commitment to not raise state spending substantially, the FY24 budget has a *4% reduction* in the operating budget UGF compared to the FY 2019 operating budget.

"This budget is a starting point for discussions into what Alaska will look like over the next four years and the next 50 years," **said Governor Dunleavy.** "The budget we are forwarding to the incoming legislature builds on the progress we made together in my first term with practical investments that make Alaska safer, increase our self-reliance with sustainable energy production, food security and much more. Alaska's future is bright, if we

continue working together on policies that will make the most positive impact in our lives and create new opportunities for the next generation of Alaskans.”

Governor Dunleavy’s FY24 budget plan includes:

Marketing Alaska

- \$5 million for new marketing campaign to promote Alaska as an opportunity for national and international businesses
- Joint initiative between the Governor’s Office and the Alaska Department of Commerce, Community and Economic Development
- Inform and educate business leaders that Alaska is far more than a tourist destination
- Diversify and expand Alaska’s economy and create new jobs for Alaskans

“I am so excited that this year’s budget gives DCCED \$5 million to promote Alaska: our resources, our people, our opportunities. We have the highest standards in resource development safety and environmental protection. The quality of life and recreation opportunities in our state are unmatched – it’s time we go out and tell that story,” said **DCCED Commissioner Julie Sande**.

Public Safety

- Keeping Alaskans safe remains Governor Dunleavy’s number one public policy priority
- Invests \$3.3 million for 30 new technical and administrative support staff positions for the Department of Public Safety
- Criminal justice technicians, forensic technicians and fingerprint technicians
- VPSO Policy & Programs Director to improve rural public safety response and outcomes
- New Mental Health Clinician to expand the wellness program
- Support staff allow Troopers to perform the job they are trained to do - investigate criminal activity and apprehend criminals

Alaska State Defense Force

- \$2.5 million to modernize the ASDF into a professional, full time emergency response and disaster assistance organization within DMVA
- Creates a rapid response team within communities in the event of a disaster or emergency

- Complements and strengthens the state’s existing emergency response capabilities statewide
- Enabling legislation will be introduced for the 2023 legislative session

2023 PFD Payment – Follow the Law or Change the Law.

- \$2.4 billion for a full statutory PFD to every eligible Alaskan
- \$3800 estimated PFD in Fall 2023
- Adheres to the funding formula statute that has been in place since the first PFD was distributed in 1982

Public Health and Wellness

- \$9.5 million for the Healthy Families Initiative
 - Alaska Tuberculosis Elimination Plan (DOH)
 - Elimination Congenital Syphilis (DOH)
 - Extend Postpartum Medicaid coverage (DOH)
 - Recruitment and Retention of Health Professionals to Alaska (DOH)
 - \$1.2 million to enhance community-based domestic violence and sexual assault prevention and intervention programs (DPS)
 - \$523 thousand creating the Office of Health Savings (DOH)
 - \$800 thousand for Competency Restoration and Jail Based Restoration at API (FCS)
 - \$205 thousand to establish the Complex Placement and Coordination Unit for vulnerable Alaskans (FCS)
 - \$2 million to expand the UAA WWAMI program

“Strong families are the foundation of a healthy society and vibrant economy,” **said Health Commissioner Heidi Hedberg.** “The Healthy Families initiative has three pillars: Healthy Beginnings, Improving Access to Healthcare and Healthy Communities. This is a whole-of-government, 4 -year plan that will emphasize improved collaboration and coordination across our state. It will focus on making Alaska the healthiest and best place to raise a family and the greatest place to work.”

Fisheries Research

- \$285 thousand to restore Yukon Kuskokwim Region Fisheries Management and Assessment programs
- \$800 thousand to restore and maintain Bristol Bay Science and Research Institute Watershed projects

Statehood Defense

- \$10 million in capital budget funds to defend statehood and our constitutional right to develop Alaska’s resources by bringing in outside counsel and expertise for the Statehood Defense Initiative
- Includes funding for wildlife research and science (DF&G)

“We must continue the good work of statehood defense as the federal government persists in refusing to recognize State rights through its aggressive policies,” **said Alaska Attorney General Treg Taylor**. “Without the ability to manage our own lands and natural resources, we lose the ability for Alaskans to determine Alaska’s future.”

Education

- \$1 million for the DEED Alaska Native Science and Engineering Program Partnership
- \$6.4 million to fund the second year of the Alaska Reads Act

Transportation

- \$620 thousand for the Kenai Peninsula’s Silvertip Road Maintenance Station
- \$794 thousand for the Chitna and Birch Lake Road Maintenance Stations
- \$200 thousand for rural ice road maintenance
- \$127 million state match to secure \$1.25 billion in federal IJA funding for transportation infrastructure statewide
- \$13.6 million for Alaska Marine Highway System operations

“In this budget Alaskans are seeing the full benefit of the bipartisan infrastructure funding. This is our time as a state to invest in our communities—by maintaining our highways, investing in our transportation network to increase safety, support business and industry, and making our roads, bridges, airports, and highways more durable. This budget allows us to accept those federal dollars, with a state match to invest in all manners of transportation infrastructure across Alaska,” **said DOT&PF Commissioner Ryan Anderson**.

Capital Budget Highlights

- \$25 million state match leveraging \$222 million in federal funding for village safe water and wastewater infrastructure projects
- \$2.1 million for Dalton Highway improvements

- \$22 million for Alaska Marine Highway vessel overhaul and shoreline facilities rehabilitation
- \$5.7 million to Alaska State Trooper Post renovations in Fairbanks
- \$5 million to rural professional housing
- \$4 million for Alaska State Parks bathroom sanitation and renovations and new public use cabins
- \$2.75 million for critical minerals mapping
- \$1.1 million to construct a veterans cemetery in Fairbanks
- \$10 million for the UA Drone Program
- \$4.5 million for Food Security Programs (Animal Bank, Marine Salmon Program, Arctic Fisheries and Central Region Fisheries Management Sonar Replacement)
- \$3 million for Three Phase Power Extensions and Upgrades to the Delta Farm Region and Co-Op
- \$2 million Pilot Program for a new Daycare Facility in the Mat-Su Valley
- \$25 million for Energy Projects (rural power system upgrades, bulk fuel upgrades, grid resiliency, energy efficiency projects)

The FY24 budget totals \$4.8 billion in Unrestricted General Funds. The capital budget is down \$460 million dollars from FY23. Due to lower than expected oil prices, the budget does call for a modest draw from the Constitutional Budget Reserve (CBR) of \$245 million, and \$20 million from the Statutory Budget Reserve (SBR). The combined balance for the SBR and CBR accounts is \$2.1 billion dollars.

“I recognize the state budget is a negotiation between legislators and my administration. We are fully prepared to have meaningful discussions with lawmakers on education funding and how inflation is straining the delivery of services and programs across the state, so I look forward to us working together to craft a spending plan that meets the needs of as many Alaskans as possible,” **added Governor Dunleavy.**

[Click here](#) to view Office of Management and Budget documents.

[Click here](#) for the FY24 budget FAQ sheet.

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