



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

State of Alaska State and Local Fiscal Recovery Funds Recovery Plan Performance Report

July 2024

State of Alaska
2024 Recovery Plan Performance Report

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GENERAL OVERVIEW

Executive Summary - Uses of Funds

The State of Alaska has fully appropriated its Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) award to address recovery efforts in response to the Coronavirus (COVID-19) pandemic and its negative economic and social impacts. A summary of the appropriations, obligations, and expenditures as of June 30, 2024, is provided in the table below.

State of Alaska Total CSLFRF Award	\$ 1,011,788,220
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Project	Appropriations	Obligations	Expenditures
Public Health COVID-19 Response Costs	\$ 40,000,000	\$ 22,809,920	\$ 15,370,937
Domestic Violence and Sexual Assault Victim Services Grants	\$ 8,000,000	\$ 8,000,000	\$ 7,978,042
Grants to Electric Utilities for Delinquent Accounts	\$ 7,000,000	\$ 3,360,314	\$ 3,360,314
Tourism and Other Businesses COVID Relief	\$ 90,000,000	\$ 90,000,000	\$ 89,548,400
Non-Profits COVID Relief	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000
Local Governments COVID Relief	\$ 50,000,000	\$ 50,000,000	\$ 50,000,000
Replace Operating Budget General Funds to Offset Revenue Loss	\$ 750,973,522	\$ 750,842,115	\$ 749,484,454
<i>FY22 Yukon River Salmon Food Security Project</i>	\$ 175,629	\$ 175,629	\$ 175,629
<i>Replace Lost FY21 Community Commercial Vessel Shared Taxes</i>	\$ 21,230,720	\$ 21,230,720	\$ 21,230,720
<i>Replace Lost FY22 Community Commercial Vessel Shared Taxes</i>	\$ 19,463,845	\$ 19,463,845	\$ 19,463,845
<i>Replace Lost Community Fisheries Business Shared Taxes</i>	\$ 4,944,505	\$ 4,944,505	\$ 4,944,505
Appropriated Total	\$ 1,011,788,220	\$ 990,827,047	\$ 981,556,846
Remaining Balance		\$ 20,961,173	\$ 30,231,374
Percentage Appropriated/Obligated/Expended	100.0%	97.9%	97.0%

*Obligations include both encumbrances and expenditures

Projects in italics were completed in a previous state fiscal year

To support a strong and equitable recovery from the COVID-19 pandemic and resulting economic downturn, the State of Alaska has focused its efforts on addressing the time-sensitive needs of vulnerable populations, disadvantaged communities, local and family-owned businesses, and local governments.

Public Health (EC 1):

The State of Alaska committed \$40 million to address the most critical public health needs that are not covered by other available funding sources. This funding is necessary to ensure adequate COVID-19 mitigation, preparedness, and response efforts. Projects and investments include data modernization, additional COVID-19 testing and sequencing supplies, laboratory modernization, community support to reopen large events, a mobile integrated health project with emergency medical services providers, and Certified Nursing Assistant and Licensed Practical Nurse workforce development projects.

A total of \$8 million was committed to ensure continued and safe 24-7 services for victims of domestic violence and sexual assault (DVSA). As COVID-19 spread rapidly around the globe, there were unprecedented physical, mental, social, and economic impacts that became alarmingly apparent well beyond the initial surge of the pandemic. The social and public health implications of COVID-19 were seen immediately, particularly as they related to keeping victims and survivors of DVSA safe and healthy in their communities. Two primary issues that presented the most significant impact on victims of DVSA were social isolation and reluctance to request services during a pandemic. Social isolation is already a significant risk-factor in families

impacted by domestic violence and COVID-19 exacerbated these conditions. Reports across the country document alarming rates of increased domestic violence coinciding with the spread of COVID-19.

Alaska DVSA victim services providers experienced significant costs stemming from implementation of public health mandates necessary to ensure the health and safety of those staying in 24-7 shelter environments. Most providers had to reduce shelter capacity to facilitate safe social distancing. Many programs continue to limit shelter space and use alternative housing to provide safe support for victims, albeit at a higher cost. Maintaining adequate capacity is a critically important factor for individuals to feel safe in seeking help. Over the past year, all CSLFRF-funded DVSA programs worked to increase preparedness for future emergent situations that will negatively affect families impacted by DVSA.

These public health commitments reflect Governor Dunleavy's top policy initiative to ensure the safety and protection of all Alaskans.

Negative Economic Impacts (EC 2):

Tourism losses are another major focus of the Alaska's CSLFRF investments. The combined negative economic impact from the canceled and reduced cruise ship seasons in 2020 and 2021 totals \$6 billion. Approximately 2,180 businesses, many of which are family-owned, were at direct risk of closure due to their inability to absorb this loss of revenue. In response, Governor Dunleavy pledged an aggressive aid package to keep these businesses viable through to the 2022 tourism season. A total of \$90 million of the CSLFRF award was appropriated for these efforts.

Losses to local governments impacted by the economic downturn of the tourism industry were not adequately addressed by direct allocations of population-based federal fiscal recovery funding. Additionally, many local governments were negatively impacted by lost fisheries revenue resulting from COVID-19. Over \$95 million was appropriated to various public and private programs to ensure that they could continue to provide their valuable services to Alaskans.

A total of \$7.2 million was committed to aid households negatively impacted by COVID-19 through programs targeting food security and delinquent electric utility assistance. Due to historically low king and chum salmon returns along Alaska's Yukon River, residents were unable to participate in subsistence or commercial fishing activities which exacerbated the ongoing food supply chain issues resulting from COVID-19. In coordination with the Alaska Department of Fish and Game, local tribal governments distributed frozen salmon for communities in the Kusilvak Census Area and Yukon-Koyukuk Census Area determined by their Qualified Census Tract (QTC) status as having been disproportionately impacted.



Everts Air Cargo shipping salmon and other supplies to Interior Alaska communities along the Yukon River.

Additionally, the Alaska Department of Commerce, Community, and Economic Development (DCCED) partnered with regional electric utility providers to ensure continued services to impacted households. Negative economic impacts caused by the pandemic resulted in many Alaskans facing difficulties keeping up with electric utility bills. To ensure services continued uninterrupted, funding was provided to electric utility companies to cover accounts that were behind in payment.

Revenue Replacement (EC 6):

The State of Alaska experienced a significant loss in revenue during the pandemic. In State Fiscal Year (SFY) 2019, the last full fiscal year before the pandemic, Alaska generated \$3.7 billion in general fund revenue. The average growth rate of general fund revenue from SFY2016 through SFY2019 was 12.2%. This growth rate, applied to the SFY2019 revenue level, results in a projected "counterfactual" revenue (if COVID-19 had not occurred) of \$4.4 billion in calendar year (CY) 2020. Actual general fund revenue in CY2020 was \$2.7 billion, resulting in an estimated revenue loss due to COVID-19 of \$1.7 billion.

A total of \$751 million of Alaska's CSLFRF award was appropriated to offset this revenue loss and to support the provision of public services, including but not limited to the Office of Public Advocacy, the Public Defender Agency, the Alaska State Troopers, the Alaska Department of Corrections, the Division of Juvenile Justice, the Alaska Court System, the Alaska Pioneer

Homes' Payment Assistance program, and the Senior Benefits Payment Program. None of this revenue replacement funding was used for non-federal cost-sharing or matching requirements of other federal programs.

Promoting Equitable Outcomes

During SFY2024, Alaska's CSLFRF programs focused on the most vulnerable individuals and organizations such as victims of DVSA, Alaskans who depend on public health agencies, households struggling to keep up with electric utility payments, and local businesses and governments experiencing drastically reduced revenue due to the impacts of COVID-19.

The Grants to Electric Utilities program was applied universally to all identified delinquent accounts. Administration of this program, including the tracking, reporting, and validating of delinquent accounts, was performed by DCCED and the utility companies. This kept the burden from individuals and ensured delivery of benefits to those who may have otherwise been unintentionally disparately impacted.

To help reach as many stakeholders as possible, the State partnered with the Alaska Municipal League to provide coordination and technical assistance to local governments in their efforts to reduce the spread of COVID-19 through communication, testing, access to vaccines, and other mitigation activities. Most of these participants were local governments in rural areas that have historically been underserved and tend to have more barriers to accessing health care and public health services.

Community Engagement

Both the Dunleavy Administration and the Alaska State Legislature received a significant amount of community input concerning the use of awarded CSLFRF funding. This input heavily informed decisions on final appropriations. Public comment ranged from letters to public testimony during legislative hearings. On Friday, April 9, 2021, Governor Dunleavy directed then Lieutenant Governor Meyer to tour all regions of Alaska and listen to communities and businesses to gauge their needs and report their findings to the legislature. Those meetings ranged from Alaska's urban centers to some of its most remote communities.

The Dunleavy Administration created two taskforces by administrative order to address food insecurity in Alaska, the Alaska Bycatch Review Task Force (ABRT) and the Alaska Food Security and Independence Task Force (AFSIT). Both groups accepted public comment at various phases of their work.

The ABRT investigated the role of bycatch in salmon stock reductions impacting the Yukon River and surrounding areas. The final report of the ABRT can be reviewed here:

https://www.adfg.alaska.gov/static/fishing/PDFs/bycatchtaskforce/abrt_final_report.pdf

The AFSIT investigated ways to improve food security on a broader scale for all Alaskans. The final report of the AFSIT can be reviewed here:

<https://alaska-food-systems-soa-dnr.hub.arcgis.com/documents/6f7cda90d3df4e2e9c0300cbc30925a4/explore>

The Alaska Department of Health partnered with the Alaska Hospital and Healthcare Association to increase the number of Certified Nursing Aids (CNAs) in Alaska's long-term care facilities and hospitals. This partnership included expanding training opportunities, providing incentives for retention and recruitment, implementing a recruitment campaign, and developing a plan for a CNA apprenticeship program.

Labor Practices & Use of Evidence

The State of Alaska did not appropriate any CSLFRF funding towards infrastructure projects, capital expenditures, or projects requiring evidence-based interventions as described by the CSLFRF Compliance and Reporting Guidance.

CURRENT YEAR 2024 PERFORMANCE REPORT & PROJECT INVENTORY

Project 062222601: Public Health COVID-19 Response Costs

Project Expenditure Category: 1.7 Other COVID-19 Public Health Expenses

Funding Amount: \$40,000,000

Project Overview:

This project supports the following programs and initiatives:

- Addressing Alaska's most critical public health needs that are not covered by other available funding sources.
- Ensuring adequate COVID-19 mitigation, preparedness, and response efforts.
- Supporting COVID-19 testing contracts, testing materials, and sequencing supplies that are beyond the Centers for Disease Control and Prevention (CDC) federal funding levels.
- Communications to the public about COVID-19 testing and vaccination, data modernization efforts related to enhanced data analytics for dashboards of public facing websites, improved data collections systems, and electronic health records.
- The Alaska Division of Public Health's staff wages to support a COVID-19 call line and occasional non-permanent staff in Public Health Nursing, Public Health Laboratories, and Epidemiology.
- Community public health support including the Mobile Integrated Health Project, safer large event planning, and projects related to the recruitment and retention of CNA and Licensed Practical Nurse (LPN) staff for nursing homes and hospitals.
- Public health administrative expenses such as supplies, postage, and videoconferencing to facilitate communications with the public.

Performance Information:

Various training courses were offered to bolster provision of care.

- There was a four-day wound care training course offered in Anchorage. 31 attended and 26 certificates were issued.
- There was a psychiatric mental health training program provided to 30 nurses with additional training scheduled in the future.
- A rural nurse training course was implemented to build curriculum for nurses to ensure practical consistency.
- Short-term training grants were provided to three medical centers across Alaska.

Project 12ARPAC00: Domestic Violence & Sexual Assault Victim Services Grants

Project Expenditure Category: 1.14 Other Public Health Services

Funding Amount: \$8,000,000

Project Overview:

- In the past year, CSLFRF funds supported seven of Alaska's community-based victim services sub-grantees in Anchorage, Palmer, Dillingham, Kenai, Soldotna, Homer, Bethel, and Ketchikan. Victim services are critical emergency and safety programs that intervene in life-or-death situations, are available 24-7, and are in a person's home community.
- The top five services requested and offered included shelter services, individual advocacy, individual counseling, emergency financial services, and hotline counseling.
- The five most common categories of victimization are family/domestic violence, adult sexual assault, adult physical assault, stalking/harassment, and bullying.
- Continuing concerns as pandemic conditions recede are:
 - Most shelters have continued serving participants with reduced bed capacity to mitigate ongoing infection.
 - Programs continue to use alternative housing to provide safe and healthy support for victims at a higher cost.
 - Shelter costs increased due to social distancing and mitigation factors requiring more expensive overflow beds in rented apartments and hotel rooms.
 - Telephonic and distance service provision continue to be maintained as part of the services available, however, many individuals still feel more comfortable seeking services that are provided in person.

These CSLFRF-funded grants are administered by the Alaska Council for Domestic Violence and Sexual Assault (CDVSA). A key priority for CDVSA is the oversight, monitoring, and commitment to its fiduciary responsibilities as it relates to managing State and Federal public funding. For more information, please visit CDVSA's homepage:

- <https://dps.alaska.gov/CDVSA/Home>

Performance Information:

- One-time CSLFRF funded grants have provided significant stability for Alaska's Victim Services and Enhanced Services.
- 2023 Victim Services Overview Data:
 - There are 26 Victim Services community sub-grantees and 18 Enhanced Services community sub-grantees.
 - Victim Services sub-grantees served 7,160 unique men, women, and children. Child Advocacy Centers served 1,999 unique individuals. Legal services were provided to 545 unique individuals. Mental health services for youth impacted by domestic violence served 467 young Alaskans.
 - 80% female; 20% male; 75% were age 18-64
 - Community sub-grantees provided 93,205 shelter nights, plus additional alternative shelter in hotels, apartments, etc.
- CSLFRF funds provided programs serving victims of domestic violence and sexual assault the ability to remain open 24-7 and to meet the emergency and safety needs of victims and survivors in a COVID-safe environment.
- More details about the outcomes and performance of CDVSA programs are available in the SFY2023 Annual Report, "Strengthening Our Communities" available online at [CDVSA-FY2023-Annual-Report.pdf \(alaska.gov\)](#).

Project 088411269: Grants to Electric Utilities for Delinquent Accounts

Project Expenditure Category: 2.2 Household Assistance: Rent, Mortgage, and Utility Aid

Funding Amount: \$7,000,000

Project Overview:

- The Department of Commerce, Community, and Economic Development is partnering with electric utility providers to ensure continued service to impacted households.
- The negative economic impacts of COVID-19 resulted in unpaid utility bills that remain in arrears.
- To address this negative economic impact and ensure service continues to Alaska households, funding was provided to electric utility companies to cover delinquent accounts.

Performance Information:

- This program has served 3,874 households to date.
- The measure of success for this program is that no utility rate increase requests are needed in 2022 through 2024 because of COVID-19 related delinquent payments.
 - To date, no utility rate increases have been necessary due to COVID-19 related delinquent payments.

Project 088391269: Tourism & Other Businesses COVID Relief

Project Expenditure Category: 1.8 COVID-19 Assistance to Small Businesses

Funding Amount: \$90,000,000

Project Overview:

- This program was established to ensure small businesses impacted by revenue loss during the pandemic could remain viable.

- Businesses were required to provide documentation (e.g., federal tax return) and a description of lost revenue with an explanation for how the loss resulted directly from the COVID-19 pandemic.
- The Department of Commerce, Community, and Economic Development partnered with the Juneau Economic Development Council for the administration of this program.

Performance Information:

- This program has provided grants to 389 small businesses across Alaska to date.
- The measure of success for this program is businesses receiving grants that are still in operation in calendar year 2024.
 - All small businesses that received grants are still currently operating in 2024.

Project 088381269: Non-Profits COVID Relief

Project Expenditure Category: 2.10 Aid to Nonprofit Organizations

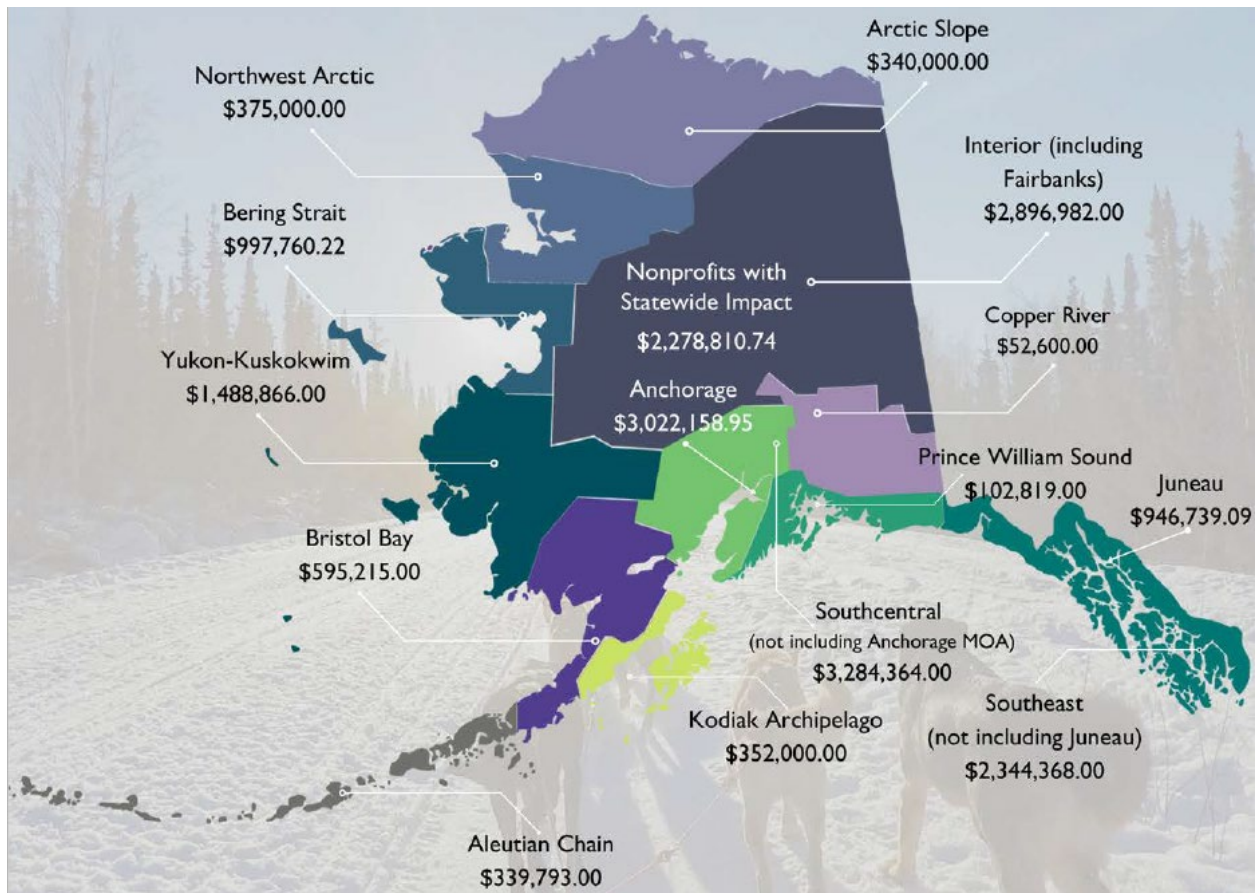
Funding Amount: \$20,000,000

Project Overview:

- Alaska’s non-profit organizations played an essential role in the pandemic response and recovery by delivering programs and services that address the needs of local communities.
- This program was established to enable non-profit organizations to provide ongoing support and critical services to Alaskans in their communities and help mitigate the lingering health and economic impacts of COVID-19.
- Grants under this program filled the gap for organizations in urgent need when the COVID-19 pandemic severely depleted other funding sources.
- Non-profit organizations were working in overdrive, trying to continue the increased level of service needed in communities still reeling from the pandemic but with less financial support.
- Grantees across Alaska collaborated with local businesses to leverage resources to address their community’s most pressing needs.
- The State has partnered with the Alaska Community Foundation for the administration of this program.

Performance Information:

- This program provided grants to 193 non-profit organizations across Alaska.
 - In Naknek, Camai Community Health Center used their grant funds for COVID-19 testing to slow the spread among their community members.
 - In Anchorage, the Alaska Children’s Trust used its grant funds to print various COVID-19 safety and child abuse prevention publications.
 - In interior Alaska, the Tanana Chiefs Conference used their grant funds to improve the food security of the communities they serve despite supply chain disruptions caused by the lingering effects of COVID-19.



Project 088401269: Local Governments COVID Relief

Project Expenditure Category: 2.37 Economic Impact Assistance: Other

Funding Amount: \$50,000,000

Project Overview:

- Support to local governments that experienced significant revenue loss.
- This funding will help ensure the continued provision of local government services.

Performance Information:

- This program has provided grants to 40 communities across Alaska.
- To date, 12 grants have closed with \$18.2 million spent on the continued provision of government services to include but not limited to:
 - Police, fire, and other public safety services.
 - Maintenance and cleanup to the community water and sewer system.

Project 1271MULTI: Replace Operating Budget General Funds to Offset Revenue Loss

Project Expenditure Category: 6.1 Provision of Government Services

Funding Amount: \$750,973,522

Project Overview:

- This funding supports general government services that would traditionally be supported with unrestricted general funds.
- The services supported by these appropriations include, but are not limited to, public advocacy, public defenders, corrections, the Alaska State Troopers, the Alaska Court System, the Alaska Pioneer Homes Payment Assistance Program, juvenile justice, and the Senior Benefits Payment Program.

PROJECTS COMPLETED IN PREVIOUS REPORTING PERIODS

Project 110321069: FY22 Yukon River Salmon Food Security Project

Project Expenditure Category: 2.1 Household Assistance: Food Programs

Funding Amount: \$175,629

Project Overview:

- Designed to address food security issues driven by COVID-19 in disproportionately impacted communities.
- Focused on the Yukon River communities that were impacted by poor salmon fisheries subsistence in addition to ongoing food supply issues resulting from COVID-19.
- Food security assistance was provided by purchasing frozen salmon for communities that was distributed by native community tribal councils to reach the maximum number of those in need.
- Targeted communities for aid were selected in the Kusilvak Census Area and Yukon–Koyukuk Census Area.
- Community eligibility was determined by Qualified Census Tract (QTC) status and “disproportionately impacted community” status.
- Disproportionately impacted communities were identified by low to moderate median income thresholds and protected class status as outlined in the Interim Final Rule (released May 2021) and the Final Rule (released January 2022).

Performance Information:

- This program resulted in over 70,000 pounds of donated salmon being distributed to 3,284 households.
- The State partnered with Tanana Chiefs Conference, Association of Village Council Presidents, Coastal Villages Regional Fund, and the Fish for Families program to gauge community needs and success of distributing to all households identified for the project.

Project 04CPV1269: Replace Lost FY21 Community Commercial Vessel Taxes

Project Expenditure Category: 2.37 Economic Impact Assistance: Other

Funding Amount: \$21,230,720

Project Overview:

- The goal of this project was to offset the loss of Commercial Vessel Passenger (CPV) tax revenue shared with port of call communities for both SFY2021 and SFY2022.
- Designed so that the amount shared with local governments for each of these years is the same as what was shared for CY2019, less any tax revenues collected. The SFY2021 tax collections are based on collections in CY2020.
- Since there were no major cruise ship sailings in Alaska in 2020, there were no tax monies collected.
- The amount of funds distributed in SFY2022 depended on tax revenues collected during CY2021. There was a partial cruise ship season in 2021.

Performance Information:

- This program provided grants to 18 communities across Alaska.
- With this funding, these communities have been able to sustain government services or invest in necessary water and sewer infrastructure.

Project 04CPV1269: Replace Lost FY22 Community Commercial Vessel Taxes

Project Expenditure Category: 2.37 Economic Impact Assistance: Other

Funding Amount: \$19,463,845

Project Overview:

- The goal of this project was to offset the loss of Commercial Vessel Passenger (CPV) tax revenue shared with port of call communities for both SFY2021 and SFY2022.
- Designed so that the amount shared with local governments for each of these years is the same as what was shared for CY2019, less any tax revenues collected. The SFY2021 tax collections are based on collections in CY2020.
- Since there were no major cruise ship sailings in Alaska in 2020, there were no tax monies collected.
- The amount of funds distributed in SFY2022 depended on tax revenues collected during CY2021. There was a partial cruise ship season in 2021.

Performance Information:

- This program has provided grants to 18 communities across Alaska.
- With this funding, these communities were able to sustain government services.

Project 04FBT1269: Replace Lost Community Fisheries Business Taxes

Project Expenditure Category: 2.37 Economic Impact Assistance: Other

Funding Amount: \$4,944,504

Project Overview:

- This appropriation offset losses in SFY2021 to Fisheries Business tax revenue that is shared with communities where fishery resources are processed.
- Designed so that the amount shared with local governments is the same as what was shared for SFY2019, less tax revenues collected.

Performance Information:

- This program provided grants to 37 communities across Alaska.
- With this funding, these communities were able to sustain government services.

CANCELED PROJECTS

Project 3FSEP23YKN: FY23 Yukon River Salmon Food Security Project

Project Expenditure Category: 2.1 Household Assistance: Food Programs

Funding Amount: \$0

Reason for Cancellation:

This funding was reallocated to the Local Governments to Offset Revenue Loss project. Local governments around the state are utilizing CSLFRF funds to address regional priorities, including food security.