



Alaska State Legislature

Representative Matt Claman

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Serving the Sand Lake, Spenard, and Turnagain Communities

January 2022 Community Council Update

Virtual Pre-Session Constituent Meeting — Please join for an opportunity to discuss the upcoming legislative session before we return to Juneau: <https://fb.me/e/14BtObiDy>.

When: Wednesday, January 12 from 6:00 to 7:30 PM

Where: <https://us06web.zoom.us/j/88074973755?pwd=UWFnSTlCVk1kTW5KUjBIVGd3aGFUQT09>

Budget — The governor has [proposed a budget for FY23](#) that largely flat funds essential services and adds two dividend payments totaling approximately \$3,775 per person. The budget is influenced by [higher estimates for oil revenue](#), [significant aid from the federal government](#), and a dividend based on the governor's proposed POMV withdrawal from the ERA that would be split 50-50 between funding dividends and funding essential state services.

The governor's budget proposal includes a supplemental 2021 dividend of \$1,215 (costing \$795.6 million) and a regular 2022 dividend of \$2,560 (costing \$1.7 billion). Paying \$3,775 in dividends will cost roughly \$2.5 billion. The governor also proposed a capital bond for voters to approve that includes borrowing up to \$310 million to upgrade the state's roads, bridges, airports, and other infrastructure.

The FY23 operating, mental health and capital budget totals \$4.6 billion in Unrestricted General Funds (UGF), \$912 million in Designated General Funds (DGF), \$792 million in Other State Funds, and \$4.6 billion in federal funding. The proposed FY23 budget remains largely unchanged from FY22—the proposed operating budget for FY23 (not including the dividends) is \$4.9 million more in UGF than FY22.

The governor's FY23 budget proposal does include some reductions to the Department of Transportation and Public Facilities, State Retirement payments, the Department of Military and Veterans Affairs, and other minor reductions. Additionally, the governor once again [proposed splitting the Department of Health and Social Services in two](#). The following are some of the spending increases in the governor's FY23 proposed budget:

- **Increases University of Alaska budget by \$4 million** to stabilize state general fund operating support and **\$22.8 million in one-time American Recovery Plan Act (ARPA) funding** for specific areas of investment
- **\$24 million** for the **Department of Public Safety**, including adding Troopers and VPSOs
- **Fully funds school bond debt reimbursement** (funded at **\$79 million**)
- **Fully funds K-12 education**

It is important to remember that an incremental rise in the price of oil, changes in the stock market, and one-time funding from the federal government do not fundamentally change Alaska's financial challenges and leave us with upwards of \$700 million in deficit spending. We need a responsible action plan that strengthens our economy, supports essential services, improves public safety, and moves Alaska forward. Public input is important. You can contact Governor Dunleavy via email at [this web page](#) or via phone: 465-3500. Email or call our office with any questions or concerns.