

ADJOURNMENT

Governor's FY25 Budget

November 16, 2023

PROPOSED BUDGET

Governor Dunleavy Introduces FY2025 Budget Prioritizing Alaskan Families, Public Safety, and Education

Thursday, December 14, 2023 (Juneau, AK) – Today Governor Mike Dunleavy released his proposed Fiscal Year 2025 state budget.

This budget continues the Governor's priorities of public safety and education. It also prioritizes affordability for Alaskan families in housing, food, childcare, and energy. As it has every year since taking office, the Governor's proposed budget includes a full Permanent Fund Dividend according to the formula in statute.

While inflation has increased more than 20 percent since Governor Dunleavy came into office in December 2018, the FY2025 operating budget continues the Dunleavy administration's effort to contain the cost of State government. The Governor's proposed budgets have limited agency growth to approximately 1% per year since FY2019, well below inflation during that time.

The total budget amount is \$13.9 billion. Based on forecasts of reduced oil prices and production, this creates a budget deficit of \$987 million that will be covered by a draw from the Constitutional Budget Reserve and the Statutory Budget Reserve.

"My administration is focused on providing Alaskans with the services the State of Alaska is responsible to provide while limiting government growth to the greatest extent possible," said Governor Mike Dunleavy. "As Governor, I swore an oath to uphold the Constitution and the laws of Alaska. As long as a statute remain on the books, my administration and my budget proposals will uphold it, and this includes proposing a full statutory Permanent Fund Dividend."

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Public safety has been the Governor's top priority since taking office. The FY2025 proposed budget continues prioritizing resources to improve the safety of Alaskans.

Within the Department of Public Safety, the governor's proposed budget funds:

- 10 additional Village Public Safety Officer positions and VPSO salary increases.
- Three new investigators with the Alaska State Troopers focused on crimes against children.
- Four investigators with AST fully dedicated to investigating missing and murdered Indigenous persons.
- Acquisition of a single engine turbine-powered all-weather aircraft (Pilatus PC-12NG) for statewide Public Safety operations and response.
- Replacement of a patrol vessel for Southeast Alaska to respond to emergencies, search and rescue operations, and enforce laws and regulations protecting coastal Alaska communities.

Governor Dunleavy wants Alaska to be the best place in the country to raise a family. Having access to affordable housing, food, childcare, and energy is essential to that end. Quality education is also of first importance.

This budget proposal is the first step in a lengthy, deliberative process. Some areas, including energy, education and childcare will require working together with the Legislature and all Alaskans to find solutions. The Governor's proposed budget includes:

Education

- Statutory funding for school districts according to the Foundation Program, Pupil Transportation, and School Debt Reimbursement formulas in statute.
- \$8.3 million for school construction and major maintenance.
- \$5 million for the Alyeska Reading Academy and Institute.
- \$1.5 million for Teacher Recruitment, Retention, Certification and Apprenticeship Development.
- \$1.5 million for continued Career and Technical Education Initiative.

Food Security

- Funding for 20 permanent, full-time Eligibility Technician positions within the Department of Health to process SNAP applications.
- \$5 million to food banks and food pantries across Alaska to increase food security.

Housing

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- \$25 million for Alaska Housing Finance Corporation Down payment Assistance Grants primarily utilizing AHFC dividends.
- \$62.6 million for AHFC annual housing programs.

The Governor's FY2025 proposed budget also includes investments in infrastructure and economic development providing both immediate and long-term benefits to Alaskans.

Transportation

- Matching funds for Alaska Marine Highway ferry replacement grants using Federal toll credits.
- \$2.5 million for Statewide PFAS Fleetwide Equipment Foam Replacement.
- \$915,000 for contracted urban snow removal when unexpected snowfall exceeds existing operational capacity.

Law

- \$1.9 million and 10 positions to expand consumer protection investigations, address child protection cases, assist with drug prosecutions and assist with grand jury investigations.
- \$2 million to support continued statehood defense efforts across multiple agencies.

Detailed budget information is available at omb.alaska.gov.

You can also view the FY2025 proposed budget visualized proportionate to total expenditure here: [FY2025 Governor's Proposed Budget at a Glance](#)

OMB links:

- [FY2025 Proposed](#)
- [10-Year Plan](#)
- [Revenue Forecast](#)
- [Alaska Recovery Plan 2022](#)
- [Alaska Recovery Plan 2023](#)
- [Coronavirus Cap Annual Performance Report](#)
- [Capital Appropriation Status Reports](#)

Detail Reports:

Fiscal Year 2025 Proposed Budget

- [Fiscal Summary](#), 12-14-23
- [Department Summary](#), 12-14-23
- [10-Year Plan](#), 12-14-23

Operating

- [FY2025 Operating Bill](#), 12-14-23
- [Statewide Totals](#), 12-14-23
- [Statewide Totals \(Agency Operations Only\)](#), 12-14-23
- [Department Summary](#), 12-14-23
- [Department Summary – UGF Only](#), 12-14-23
- [UGF/DGF/Other/Fed Summary by Department](#), 12-14-23
- [Statewide Items – FY2025 Governor Change Record Summary](#), 12-14-23
- [FY2024 Operating Supplementals](#), 12-14-23

Capital

- [FY2025 Capital Bill](#), 12-14-23
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- [Department UGF/DGF/Other/Fed Summary](#), 12-14-23
- [House District UGF/DGF/Other/Fed Summary](#), 12-14-23
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- [Project by House District](#), 12-14-23
- [FY2024 Capital Supplementals](#), 12-14-23

Mental Health

- [Mental Health Bill](#), 12-14-23
- [Mental Health Trust Letter](#), 12-14-23
- [Mental Health Trust Budget Summary](#), 12-14-23
- [Mental Health Trust Operating Budget Comparison](#), 12-14-23
- [Mental Health Trust Adjustments on Non-Trust Recommendations](#), 12-14-23
- [Mental Health Trust Capital Budget Comparison](#), 12-14-23

Operating and Capital Details by Department

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