Cuts and Closures to Date (December 15, 2016)

- Department of Commerce Community and Economic Development (DCCED) general fund dollars have been cut by 60 percent from FY15 to FY17.

- DCCED manages grants for funding projects like roofs for municipal facilities, textbooks for schools, technology parity for rural and urban schools, infrastructure, erosion management, and domestic violence shelter construction. The value of these grants is down 60 percent from three years ago - $2.4 billion to $925 million.

- Distributions from the Community Revenue Program, which changes to the Community Assistance Program on January 1, 2017, are down from $60 million in FY2015, $57 million in FY2016, to $38 million in FY2017.

  The $18.7 million budget which funds tourism marketing has been eliminated. Reduced marketing of Alaska as a destination will impact the number of visitors to Alaska in the future.

- Department of Environmental Conservation (DEC) makes up less than 0.5 percent of the state’s total operating UGF. Annual UGF dollars have been cut by 29.4% since FY14 with a loss of 57 positions.

- Last year, DEC inspected only 37% of the state’s 4,797 permanent retail food facilities – well below the federal benchmark.

- DEC’s state grant program for municipal water and sewer projects in communities with more than 1,000 residents has been scaled back from $33 million four years ago to $4.7 million in the current fiscal year – a reduction of over 85%.

- Since FY 15, the Department of Health and Social Services (DHSS) UGF has been cut by $169.3. million (13.5 percent)

- Approximately 2,100 households will no longer receive assistance through the Alaska Affordable Heating Program.

- Senior Benefits Program benefits for the highest income level went from $125 to $76/ month.

- The Division of Juvenile Justice closed Ketchikan Regional Youth Facility in September. Youth who were living at the facility were moved to Juneau and 15 state employees working at the facility received lay-off notices.

- Bed counts at the Fairbanks Youth Facility detention unit were reduced from 20 to 12 this year.
- Alaskans are waiting longer to be admitted to the Pioneer Home because of staff reductions. At any given time, approximately 30 beds are unavailable for new residents.

- The Alaska Pioneer Homes saw an 8.5 percent rate increase to cover costs.

- The Public Health Nursing budget was decreased by 20. Public health centers in Cordova, Ft. Yukon, Galena, Haines, Seward, and Wrangell were closed, and 31 positions were eliminated.

- Bureau of Vital Statistics office closed in Fairbanks, eliminating two full time positions.

- The Alaska Public Health Laboratories budget was reduced by 20 percent ($827,000). Five positions were eliminated, which will delay lab test result reporting and eliminate tests such as those for measles, mumps, and rubella.

- The Department of Labor and Workforce Development (DLWD) Budget has been reduced by $11 million in past two years (33 percent).

- DLWD cut funding to key training partners by $3.5 million – Alaska Construction Academy, Alaska Technical Center in Kotzebue, Northwestern Alaska Career and Technical Center in Nome, Southwest Alaska Vocational and Education Center in King Salmon, and the Alaska Vocational Technical Center in Seward.

- Job centers in Barrow, Kotzebue, and Seward closed.

- Occupational Safety and Health and Wage and Hour programs have been cut by $1.1 million, making it more difficult to ensure Alaskans are working in safe, legal working environments.

- AVTEC Anchorage campus closed and Allied Health Program eliminated.

- Department of Law has lost over 76 positions in past four years, and had its budget cut by over 26 percent.

- Cuts directly to Department of Law hit three main areas:
  o Protection of Alaskans, including children, vulnerable adults, victims of crimes, and consumers;
  o Defending State's rights by ensuring collection of money owed to the State (such as oil production taxes) and challenging the federal government when it overreaches; and
  o Protecting the State from liability through upfront advice and good governance.

- Last year (before SB 91), the number of criminal cases Law had to decline to prosecute rose 6 percent because of budget cuts.
- Department of Law is prioritizing the crimes it prosecutes and focusing on the most serious offenses, regardless of the direction given by SB 91.

- Department of Law’s Consumer Protection Unit has been cut in half.

- Department of Law’s Child Protection Division is taking on an additional 30 cases per attorney. This means more uncertainty for families and longer stays for children in foster care.

- Department of Law has reduced its efforts to enforce penalties from oil spills and contaminated sites. This means negative impacts to property owners and property values in the area of the spill or contamination.

- The Department of Military and Veterans Affairs (DMVA) cut its operating budget by over $10 million (40 percent) in the past four years.

- DMVA cut 69 positions (20 percent) from its state-funded workforce in the past four years.

- DMVA achieved cuts by enacting the following measures:
  - Reduced overtime by 40 percent;
  - Turned off utilities at vacant armories across the state;
  - Enabled employees traveling to stay in armories instead of hotels;
  - Reduced travel costs to conferences and other events;
  - Imposed mandatory furloughs to reduce salary of top executives (Commissioner, Deputy Commissioner and division directors);
  - Reduced travel to rural communities to assist with emergency preparedness or recruiting for AMYA;
  - Eliminated DMVA’s award-winning Warriors magazine;
  - Reduced AMYA cadet stipends;
  - Maintained the number of veteran service officers despite 3,000 person increase to veteran population;
  - Reduced preventative maintenance at Alaska National Guard facilities.

- DMVA brought in nearly $618M million in federal funds in 2017, a return on investment of about 39:1.

- Department of Revenue (DOR) has cut 75 positions (8 percent) of its workforce in the past two years.

- Department of Revenue’s budget has been reduced by $8.4 million (25 percent) in the past two years;

- The Child Support Services Division has moved to electronic banking and reduced paper checks by over 13,000 per month.

- The Permanent Fund Dividend Division has increased the use of online customer service options to allow for a more efficient allocation of staff work.
- The Tax Division reduced its workforce by 19 positions (15 percent) in the past two years. This occurred while the state added a new tax on marijuana and implemented multiple procedural changes within the division.

- The Tax Division is reducing its number of contract services, including forecasting annual North Slope oil production. This is now being done by the Department of Natural Resources, saving about $100,000 per year.

- In the past two years, the Tax Division reduced its spending on travel by 50 percent and external services by 40 percent.

- Child Support Services Division (CSSD) cut 27 positions from its workforce in FY 17. This has led to an added workload for caseworkers collecting child support money.

- Potential impacts to CSSD include:
  - Increased caseloads, lower collections, slower response times, and fewer enforcement actions
  - Closure of the Fairbanks field office
  - Closure of the Customer Service Center
  - Educational outreach program limited to locations within driving distance
  - Elimination of outreach in rural communities
  - Elimination of all prisoner outreach

- The PFD Division has reduced phone technicians, increasing hold times and directing more questions to the Division website.

- Department of Transportation and Public Facilities (DOTPF) UGF budget reduced from $278 million in FY 15 to $218 million in FY 17 (22 percent).

- DOTPF’s ability to deliver needed transportation services including snow and ice removal, pot hole and guardrail repair, rural airport operations, and regular scheduled ferries has been diminished.

- DOTPF equipment operators have been reduced by 10 percent statewide. Older equipment has been parked and the replacement of all equipment has been delayed.

- Fewer needed commodities like salt and sand for roads have been purchased by DOTPF.

- Due to reductions in resources available, hub airports like Deadhorse, Bethel, Dillingham, Unalaska, Petersburg, and Wrangell will have fewer hours of cleared runway surface, runway lighting and condition reporting.
- In FY 15, Alaska Marine Highway System provided 334 weeks of service, a 17 percent reduction since FY2013. In FY 17, AHMS will provide 340 weeks of service.

- Department of Corrections:
  o $3.2 million cut from the Community Jails contract at Department of Corrections (DOC)
  o $1.5 million cut from the Community Residential Center contract at DOC
  o $7.5 million cut to inmate health care, thanks to Medicaid expansion general fund reductions
  o $3.59 million cut at Department of Corrections due to SB 91 reductions
  o $2.4 million cut to Goose Creek Correctional Center due to court video hearings and reduced transportation costs
  o $2.1 million cut to DOC through department-wide salary reductions and furloughs
  o Palmer Correctional Center is closed and repurposed, resulting in a $5.6 million cut at DOC

- Department of Education and Early Development (DEED) non-formula UGF budget has been reduced by $21.6 million (38 percent) since FY15.
  o Since 2015, DEED has eliminated 52 full-time and 14 non-permanent positions
  o DEED consolidated lease space and cut back travel

- In addition to UGF and unallocated reductions, DEED has had the following reductions/program eliminations:
  o The School Debt Reimbursement program was partially vetoed in FY17 ($30.5 million);
  o Approximately $6.35 million cut from Pupil Transportation
  o The Statewide Mentor Program was eliminated ($1.5 million). This program provided mentors to beginning teachers and principals to increase retention and student achievement
  o Statewide Literacy and K-12 Literacy programs have been eliminated ($470,000)
  o The STEM program expansion project was reduced ($3 million)
  o DEED funding for the Alaska Native Science and Engineering Program (ANSEP) was eliminated ($960,000)
  o Funding for Online with Libraries Program (OWL) was reduced ($100,000)
  o School Broadband Access Grants have been reduced ($5 million to $2.7 million)

- Reorganization within the Division of Forestry, resulting in 35 positions being cut in 2015.
  o 16 seasonal wildland firefighters in Southwest Alaska and support positions in McGrath

- DNR has designated more state park lands for “passive management”, meaning funds are no longer available to operate restrooms and clean up trash. Additionally, some state park facilities are being maintained by other agencies or private contractors. This includes state parks in Sitka and Valdez.

- DNR is revising its fee structures to ensure essential services are being provided to Alaskans. The department has also received authority to sell merchandise to offset funding cuts for state parks.
- Department of Fish and Game’s (DF&G) UGF budget has been reduced $29 million (37 percent) and 182 positions were eliminated since FY 15.

Department of Public Safety eliminated 68 permanent and 14 temporary positions since FY16

- Village Public Safety Officer (VPSO) program was reduced by $2.1 million since FY 16, including:
  - Eliminated five VPSO trooper support positions
  - Reduced travel
  - Eliminating retention incentives
  - Suspending annual regional training
  - Eliminating field training program
  - Reducing equipment purchases

- DPS discontinued the Drug Abuse Resistance Education (DARE) program ($155,000)

- DPS moved P/V Stimson’s base of operations from Dutch Harbor to Kodiak ($500,000)

- Closed Alaska State Trooper posts in Talkeetna and Yakutat

- DPS eliminated Fairbanks-based helicopter services

- Funding for the Council on Domestic Violence and Sexual Assault has been reduced by $1.19 million since FY 16. Reductions included:
  - Research and evaluation activities ($290,000)
  - Public education and awareness efforts ($157,000)
  - Funds to victim services grants and prevention activities ($87,000)
  - Funds to emerging programs ($210,000)
  - Funds to Kids Club Moms Empowerment program ($84,000)
  - Travel and supplies ($65,000)
  - Community-based batterer intervention programs ($200,000)

- Overtime, patrol sea days, and patrol flights reduced for Alaska Wildlife Troopers ($185,000)

- DPS eliminated leases for one office space and three trooper housing leases ($92,000)

- DPS reduced overtime and premium pay ($982,600)

- Alaska State Troopers removed 17 vehicles from its fleet ($150,000)