



Senator Cathy Giessel

District N

Northeast Anchorage, Anchorage Hillside, Indian, Bird, Girdwood and Portage

December 16, 2020

Dear Friends and Neighbors:

The big news - Governor Dunleavy released his budget last Friday.

There are **significant spending reductions** to the Ferry system, education support and Senior Benefits specifically, and other basic services generally.

You and I have had the discussion about the **Permanent Fund** and its **foundational part of providing basic state services** of education, public safety, transportation and health. The incredible **massive distribution of money out of the Permanent Fund**, proposed by the Governor in this budget, is astonishing and **short-sighted**.

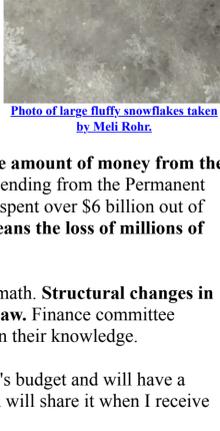


Photo of large fluffy snowflakes taken by Meli Rohr.

The Governor is proposing **taking more than twice the amount of money from the Fund than the sustainable draw**. This kind of over-spending from the Permanent Fund is the **start of the Fund's demise**. A proposal to spend over \$6 billion out of the Fund has **serious long-term negative effects**. It means the **loss of millions of dollars, every year, forever, from the Fund**.

Thankfully, the majority of Legislators understand the math. **Structural changes in spending must be made...with a scalpel, not a chainsaw**. Finance committee leaders understand that process and I have confidence in their knowledge.

Legislative Finance Division is analyzing the Governor's budget and will have a summary prepared soon. I will be watching for that and will share it when I receive it.

COVID-19 vaccine is being administered to Alaskans as we speak. This is great news. Remember that 2 doses are needed to attain the 95% effectiveness level of immunity. Those 2nd doses are 21-28 days apart, depending on which vaccine is given to the person. Please thank the healthcare providers you encounter today. They are working hard for the good of all Alaska.

In today's newsletter you'll find:

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- [Legislative Audit Reports Released](#)
- [Department of Revenue Releases Fall 2020 Revenue Sources Book](#)
- [Legislative Finance December Newsletter](#)
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Kind regards,
Cathy

[Click here to email me.](#)



Governor Dunleavy Announces FY2022 Budget

The [Governor's FY22 budget](#) was released on Friday, December 11. Below you will find links to each of the bills.

- [FY21 Fast Track Supplemental](#)
- [FY22 Operating Budget Bill](#)
- [FY22 Capital Budget Bill](#)
- [FY22 Mental Health Budget Bill](#)
- [FY22 PERC Bill](#)
- [FY22 AHFC Bond Bill](#)
- [FY22 PFD Budget Bill](#)

[Click here to watch a recording of the Governor's press conference from last Friday.](#)

Legislative Audit Reports Released

At its December 10, 2020 meeting, the Legislative Budget & Audit Committee approved the following reports for public release:

- [Department of Commerce, Community, and Economic Development, Board of Certified Direct-Entry Midwives \(Sunset Review\), June 19, 2020](#)
- [Department of Health and Social Services, Medicaid and Children's Health Insurance Program Eligibility, August 27, 2020.](#)
- [Department of Health and Social Services, Medicaid and Children's Health Insurance Transportation Costs, October 28, 2020.](#)

[Click here to visit the L&A website.](#)

Department of Revenue Releases Fall 2020 Revenue Sources Book

The Department of Revenue (DOR) Commissioner Lucinda Mahoney released the Fall 2020 Revenue Sources Book last Friday, December 11. The Revenue Sources Book includes the Department's fall forecast of oil price, oil production, and state revenue.



Unrestricted General Fund (UGF) revenue, before accounting for the transfer from the Permanent Fund Earnings Reserve, totaled \$1.6 billion in FY 2020 and is forecast to be \$1.2 billion in both FY 2021 and FY 2022.

The Permanent Fund is expected to transfer \$3.1 billion to the General Fund in both FY 2021 and FY 2022. These amounts include funds for general government spending.

Between continued growth of the fund and continued low oil prices, the Permanent Fund transfer is now the state's largest source of UGF revenue, contributing 65% of UGF in FY 2020 and projected to contribute at least 67% for each of the next ten years.

For FY 2020, Alaska North Slope (ANS) oil prices averaged \$52.12 per barrel. The revenue forecast incorporates the most current indications from financial markets and is based on an annual average ANS oil price of \$45.32 per barrel for FY 2021 and \$48.00 per barrel for FY 2022.

For FY 2020, ANS oil production averaged 472,200 barrels per day. ANS oil production is expected to average 477,300 barrels per day in FY 2021 and 439,600 barrels per day in FY 2022, before climbing to 481,800 barrels per day by FY 2030. Drilling and investment were sharply reduced over the past year, and are reflected in the lower near-term forecast, but the department is optimistic that new developments will contribute to stabilizing production over the coming decade.

The Revenue Sources Book is an annual publication that provides basic information about state revenue, as well as a forecast of state revenue over the next ten years.

[Click here to view the Fall 2020 Revenue Sources Book.](#)

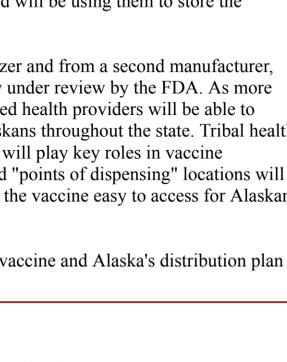
Legislative Finance December Newsletter

Legislative Finance sent out its December 2020 newsletter yesterday, December 14. Included in the newsletter this month includes links to updated budget history graphs and data, and new information papers with Legislative Research. It contains lots of helpful information.

You can sign up for the newsletter by [visiting their website](#).

Alaska Receives First COVID-19 Vaccine Shipments

Alaska received its first shipment of COVID-19 vaccine on Sunday night, December 13, via UPS plane. Delivery and transport of the vaccine to health care facilities across Alaska will be happening today through Wednesday, leading to the first vaccinations of Alaskans this week.



The vaccine, made by Pfizer and BioNTech, was authorized Friday, December 11, by the U.S. Food and Drug Administration (FDA) through an emergency use authorization (EUA).

Initial vaccine supply is limited. Vaccine will first be available to:

- Hospital-based front-line health care workers at highest risk for COVID-19 infection
- Long-term care facility residents and staff (defined to include skilled nursing facilities, assisted living homes, and Department of Corrections infirmaries providing care that is similar to assisted living)
- EMS and fire personnel providing medical services
- Community Health Aides/Practitioners
- Individuals who are required to perform vaccinations

Determinations for vaccine allocation are made by the Alaska COVID-19 Vaccine Allocation Committee and are informed by the Centers for Disease Control and Prevention (CDC) and the Advisory Committee on Immunization Practices (ACIP). With regular shipments of vaccine, the vaccine will be made more available and the Alaska COVID-19 Vaccine Allocation Committee will continue to identify additional groups to receive vaccination. Eventually all Alaskans who wish to be vaccinated against COVID-19 will have an opportunity to do so.

UPS and FedEx started transporting the vaccine Sunday from Pfizer's plant in Michigan to 636 locations across the United States. In Alaska, some hospitals and healthcare facilities have ordered the vaccine directly from Pfizer through the State of Alaska's Immunization Program and the CDC. Those orders are being delivered directly to those facilities. The remainder of the allocation will be received by the DHSS Immunization Program which will store the vaccine at ultra-cold temperatures pending further distribution of the vaccine across the state.

The State of Alaska is working with the Alaska Native Tribal Health Consortium (ANTHC) to coordinate distribution of vaccine across Alaska, including to the remote rural villages. While most states are receiving weekly shipments, Alaska is receiving the entire initial allocation this week because of Alaska's unique geography and logistical needs. This allocation of 35,100 Pfizer doses includes 11,700 doses allocated by the Indian Health Service to Alaska's Tribes.

The First Vaccinations of Alaskans

Following receipt of the first shipments, some healthcare workers could begin receiving vaccinations either later that day or soon thereafter at hospitals and healthcare facilities. The Pfizer vaccine requires two doses per person, separated by three weeks. The second dose is being held by Pfizer and will be shipped later. Everyone who receives the first dose will receive reminders to return for the second dose. The effectiveness of the vaccine, studied through clinical trials, depends on people receiving two doses of the vaccine three weeks apart.

Storage and Further Distribution

The Pfizer vaccine requires ultra-cold storage at temperatures ranging from -90 to -60° C (-130 to -76° F). To transport the vaccine, Pfizer designed containers packed with dry ice that are capable of maintaining an ultra-cold temperature for up to 30 days as long as the dry ice is replenished upon receipt and every five days thereafter. The containers include a temperature and tracking device that will ensure the vaccine was kept safe during transport. In an ultra-low-temperature freezer, the Pfizer vaccine can be stored for as long as six months. Alaska has identified where these freezers are available across the state and will be using them to store the vaccine.

More vaccine is expected soon, both from Pfizer and from a second manufacturer, Moderna, whose EUA application is currently under review by the FDA. As more COVID-19 vaccines become available, enrolled health providers will be able to administer vaccines to larger numbers of Alaskans throughout the state. Tribal health centers, public health centers, and pharmacies will play key roles in vaccine administration. Pop-up drive-through sites and "points of dispensing" locations will be organized as well, with the goal of making the vaccine easy to access for Alaskans who choose to get vaccinated.

Additional information about the COVID-19 vaccine and Alaska's distribution plan may be found at [Covidvax.Alaska.gov](#).

Bring Back the Light 2020

On Sunday, December 20, at 5:00pm, Alaska DHSS is encouraging each and every Alaskan, in a moment of statewide celebration, solidarity and reflection, to step outside with others in their household and light a candle or turn on lights, flashlights, headlamps or a lantern.



During this pandemic, Alaskans have shown considerable strength to adapt and take care of themselves and each other. On the eve of Winter Solstice, Alaskans will take a moment and come together to show support and gratitude for one another and their communities, take pride in their resiliency and look forward to brighter days ahead.

Each light from every Alaskan will represent brighter days to come, literally and figuratively. It's intended to celebrate Alaskans' resiliency, as well as remember Alaskans lost to COVID-19. Organizations, neighbors and businesses throughout the state have been encouraged to help bring back the light in preparation for brighter days ahead.

More information is available on the [event Facebook page](#) or event website. Participants are being encouraged to share photos and videos of their recognition of the event on social media using the hashtag #WithYouAlaska.

[Click here to read the full press release.](#)

Alaska State Parks 2021 Parking Decal

Alaska outdoors enthusiasts can now purchase their Alaska State Parks 2021 day-use parking decals, a thoughtful holiday gift option offering easy access to many of the state's best outdoor recreation facilities.

Day-use parking decals are \$60 per vehicle, and boat launch decals are also available for \$150. The 2021 parking decals are good for parking at all state parks managed by Alaska State Parks from date of purchase until December 31, 2021. Parking decal fees help support park operations and maintenance, and represent an important source of revenue for the park system.

Decals are available [online at the division's website](#). Online purchasers may print out their receipt, or hand-write the receipt number and date of purchase on a piece of paper, for display in their driver's side vehicle window until their decal is delivered.

Decals are also available for sale in person in Anchorage at REI, The Hoarding Marmot, and Paramount Cycles, and in Fairbanks at REI, Beaver Sports, Outdoor Adventures, and the Alaska Public Lands Information Center. The decals are also sold at the Seward Chamber of Commerce and the Discover Kodiak Visitor Center.

The division also issues free camping passes to qualified Alaska disabled veterans, and is working on a new system to make that process easier and more efficient. Meanwhile, disabled veteran camping decals issued for 2019-20 will continue to be honored into 2021. Information on those decals, and on the new system, will be issued via Alaska State Parks website, social media and press release in January.

For information on buying decals in bulk, contact the division's Business Development office at the number below. For information on disabled veteran decals, contact the Department of Natural Resources Public Information Center. For general information about parking decals, go to <http://dnr.alaska.gov/parks/asp/fees.htm>.

Kenai Area State Parks Adds Proposal Requests, Extends Bid Deadline

Alaska State Parks is soliciting proposals for qualified entities to operate and maintain campgrounds and provide boat launch services in Kenai Peninsula state recreation areas.

Alaska State Parks is offering qualified businesses an opportunity to submit proposals to operate and maintain the Captain Cook and Anchor River/Stariski state recreation areas (SRAs). Successful applicants will be authorized to operate one or both state recreation areas for a four-year period. **Proposals must be received by January 19, 2021.**

In addition, Alaska State Parks has extended the deadline to submit bids for providing saltwater boat launch services at the Anchor River and Deep Creek state recreation areas. This service has historically been referred to as the "tractor launch" where large, heavy-duty tractors launch boats into Cook Inlet. Successful applicants may be authorized to provide boat launch services in one or both state recreation areas for a five-year period. **Bids must be received by January 4, 2021.**

[Click here for more information about the proposals and bids and to read the full press release.](#)

U.S. Department of Labor Announces YouthBuild and Workforce Pathways for Youth Funding Opportunities

The Department of Labor (DOL) has published a YouthBuild Funding Opportunity Announcement (FOA) for \$89 million in grants to support and expand YouthBuild programs across the country. YouthBuild, a pre-apprenticeship model, provides at-risk youth ages 16-24 with education and occupational skill development to obtain employment in construction and other in-demand industries. The FOA was published on December 11, 2020, and remains open until February 9, 2021. Eligible applicants include public or private non-profit agencies. These organizations include rural, urban, or Native American agencies that have previously served disadvantaged youth in a YouthBuild or other similar program.

[Click here to learn more about YouthBuild.](#)

In this FOA, DOL has expanded the opportunity for applicants to include occupational skills training in other in-demand industries, which is called Construction Plus and is a priority in this grant cycle. [Click here for additional information on DOL's YouthBuild program.](#)

DOL also published the Workforce Pathways for Youth FOA. The new grant opportunity, as outlined in the Department of Labor Appropriations Act, 2020 (Public Law 116-94) Statement of Managers, provides \$10 million in grants to support national out-of-school time organizations. The grant program seeks to increase alignment between workforce and out-of-school time programs, and expand job training and workforce pathways for youth. The program model emphasizes soft skill development, career exploration, job readiness and certification, summer jobs, year-round job opportunities, and apprenticeships. The FOA published on December 11, 2020 and remains open until February 4, 2021. [Click here for more information or to apply.](#)

It's a pleasure to serve and represent the wonderful people of District N!

I look forward to hearing your ideas, suggestions and comments.

[To email me, click here.](#)

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