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Member of the National League of Cities and the National Association of Counties

The Honorable Michael Dunleavy
Office of the Governor
State of Alaska
P.O. Box 110001
Juneau, AK 99811-0001

June 1, 2021

Dear Governor Dunleavy,

As the Legislature finalizes the FY22 budget, the Alaska Municipal League would like to encourage your support for the items where there has been consensus between the House and Senate, and in support of local governments.

Specifically, we are pleased to see – and ask you to join us in support of – the following:

- Full funding of School Bond Debt Reimbursement
- Fully recapitalized Community Assistance for FY21 and FY22
- Village Public Safety Officers, Community and Regional Jails, Code Blue, and ALMR
- REAL ID implementation, Public Broadcasting, and OWL
- AMHS full and forward funding, and Harbor Matching Grants
- Broadband Assistance Grants, and School construction and major maintenance
- Village Safe Water

These programs or transfers support local governments at a time when they are just recovering from the worst of this pandemic. Stable State funding ensures that local governments maintain stability as well, continuing to deliver essential programs, meeting resident needs, and most importantly contributing to Alaska's economic recovery.

At the same time, in order to support those local governments that have been disproportionately impacted – whose federal relief is greatly insufficient relative to their lost revenue – please support the mechanisms by which the Legislature has chosen to distribute a portion of the State's ARPA funds to Alaska's communities. This includes:

- Hold harmless provisions for CPV and share fish tax, which supports coastal communities impacted by gaps in cruise ship activity and dismal fishing returns.
- Grants to local governments with revenue loss – we know of at least 34 communities that can demonstrate losses greater than their federal relief, between 10 and 90% of their overall budgets.

Governor, without this support we fear for the ability of these cities and boroughs to maintain a sufficient level of service, avoid increased taxes, or support residents and businesses. Quite simply, if State support for those worst hit is not forthcoming, the long term viability of these communities is threatened.

If there is any way for AML to help in managing these processes, or contributing insight into administration, please don't hesitate to count on us as partners.

Respectfully,



Nils Andreassen
Executive Director

Copied:

- Miles Baker, Legislative Director
- Neil Steininger, Director, Office of Management and Budget
- Legislative Conference Committee