



# FAIRBANKS NATIVE ASSOCIATION

FNA Statement to the Public:

Re: Governor Dunleavy's Vetoes

I am writing this with deep concern over Governor Dunleavy's veto of \$444 million from the Alaska state operating budget.

Governor Dunleavy's budget cuts will result in elimination of - many critical programs and services that will negatively impact the health, safety, and well-being of Alaskans.

The proposed cuts negatively impact our ability to provide the following critical services:

- \$8.6 million for Head Start and early childhood education has been cut. Alaska Head Start Association estimates that this 6.8 million dollar cut will have a statewide impact on more than 130 lost jobs and over 500 children losing Head Start services. FNA Head Start 0-5 will lose \$107, 000.00 from the State budget. This cut will negatively impact our federal match requirement of 20% from the Office of Head Start.
- The Governor has eliminated \$50 million from the Medicaid program. This is in addition to the cuts the Legislature made during the session. Although the Medicaid cuts are somewhat unallocated to specific programs within the larger Medicaid program, we understand the intent of the vetoes is to enact the budget as it was proposed by the Governor at the start of the session. The \$50 million veto is the budgetary implementation of the Medicaid Phase I Cost Containment Strategy. The governor has no plan for how to implement this cut. Alaskans deserve to know how Medicaid reductions will impact our neediest population-children, the disabled, and the elderly. To make unallocated cuts without a plan demonstrates a lack of transparency and accountability
- The veto of \$12.24 million (18.675% of the total funds) from behavioral health treatment and recovery grants is also careless. These grants provide access to treatment services for Alaskans with serious mental illness, serious substance use disorders, and kids with severe emotional disturbance. These budget cuts would limit our ability to assist those most in need of behavioral health needs. The people of Alaska need Federal and State funding to support the staggering behavioral health needs of this community.

The following, indirectly impacts those we serve:

- The state's senior benefits program, which pays cash to poor elders each month, has been fully eliminated, cutting \$20.8 million from the budget. Many of our respected elders are living well below the federal poverty rate. Eliminating elder benefits will send some elders to homelessness, detriment their food security and negatively impact their health.

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- The proposed budget cut of \$30 million funding for K-12 schools would be detrimental to all students in our district. Our Fairbanks Native Association, Johnson O'Malley program provides much needed educational supplement services and enhancement programs for our youth. Alaskan Native students have the highest dropout rate and lowest graduation rate, and have had slow improvement in standardized test scores in the past two decades. The funding cuts to K-12 education will deeply impact the education of our Alaskan Native children. Our Alaskan Native children are at serious risk of falling through deeper cracks of an educational system they currently struggle in.
- FNA operates the SOAP program that serves 321 homeless youth in our community. S.O.A.P. supports the homeless youth through; education, providing mental health services, individual and family counselling, mediation and conflict resolution, and helping build permanent connections with caring adults. Many of our youth we serve seek shelter at the Door, which is in jeopardy of closing due to the vetoes.
- As the University of Alaska System is facing a 41% state funding cut, this will result in less students graduating from our local university. UAF is the largest source of college educated employees for Fairbanks Native Association. The decrease in graduating students will significantly increase our cost of recruiting, leaving us with unfilled or short-filled vacancies, creating life-threatening wait times for our consumers, and possible closure of services due to insufficient staffing.

For 52 years, Fairbanks Native Association has made a positive impact for residents, from birth to our elders across this state. FNA programs are helping thousands of individuals find new jobs, maintain sobriety, celebrate their culture, and receive an education.

We support the Legislature's budget they sent to Governor Dunleavy. We also applaud their thoughtful and careful cuts in years past. They understand the Alaska budget problems but they also understand Alaska's economy. I ask that our Legislature remain mindful of the devastating impacts of Governor Dunleavy's vetoes on the state operating budget, especially to the most at risk Alaskans that we serve.

Respectfully,  
Steve Ginnis, Executive Director  
Fairbanks Native Association



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