



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Transportation and Public Facilities

OFFICE OF THE COMMISSIONER
Ryan Anderson, P.E., Commissioner

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June 17, 2025

The Honorable Jesse Bjorkman
Chair, Senate Transportation Committee
145 Main Street Loop
Kenai, AK 99611

The Honorable Ashley Carrick
Co-Chair, House Transportation Committee
1292 Sadler Way Ste 308
Fairbanks, AK 99701

The Honorable Ted Eischeid
Co-Chair, House Transportation Committee
1500 W. Benson Blvd.
Anchorage, AK 99503

Delivered via e-mail

Dear Senator Bjorkman and Representatives Carrick and Eischeid,

Thank you for your continued partnership and leadership in supporting Alaska's transportation system. I am writing to provide an update on the status of our federal match funding following recent legislative actions and the Governor's subsequent veto of certain reappropriations.

As you know, our federal-aid highway and aviation programs rely on sufficient unrestricted General Fund match each year to fully leverage available federal funds. This year, during a difficult budget cycle, the Legislature replaced a large portion of that General Fund match with reappropriations from older project authorizations. While well-intended, using old project balances — some of which have already been spent or are tied to active work — creates fiscal and compliance risks for Alaska's federal match program. To preserve the integrity of our program and avoid potential audit findings or loss of federal funding, the Governor vetoed these reappropriations and signaled that a more appropriate solution will be needed.

Without restoration of unrestricted General Fund match during the FY2026 fiscal year, the Department will have to limit new project starts and adjust the Statewide Transportation Improvement Program (STIP) to reflect what we can deliver with existing resources.

That said, we are taking every responsible step to avoid project delays wherever possible. We are actively managing available match, working with the Federal Highway Administration, and aligning project schedules to keep critical work moving. Our goal is to ensure that, if this issue is addressed in a timely manner, Alaska's full program can proceed without disruption.

"Keep Alaska Moving."

Senator Bjorkman and Representatives Carrick and Eischeid
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We appreciate the Legislature's longstanding commitment to maintaining the match necessary to secure federal transportation funding. In the weeks ahead, we will keep your offices informed about our revised program delivery approach and the level of funding needed to maintain momentum.

Thank you for your continued attention and partnership as we work together to protect Alaska's infrastructure investment and economic benefits. Please reach out to my office with any questions or to discuss potential paths forward.

Sincerely,

A handwritten signature in black ink, appearing to read "Ryan Anderson", written over a horizontal line.

Ryan Anderson P.E.
Commissioner

cc:

Andy Mills, Legislative Liaison, DOT&PF
Jordan Shilling, Director, Governor's Legislative Office