

December 11, 2025

-34-GH2502\I
Marx
2/6/26

CS FOR HOUSE BILL NO. 265(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FOURTH LEGISLATURE - SECOND SESSION

BY THE RULESHOUSE FINANCE COMMITTEE BY REQUEST OF THE GOVERNOR

IntroducedOffered:

Referred:

Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR
A BILL

FOR AN ACT ENTITLED

1 "An Act making appropriations for the operating and capital expenses of the state's
2 integrated comprehensive mental health program; and providing for an effective date."

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 (SECTION 1 OF THIS ACT BEGINS ON PAGE 2)

1	Appropriation	General	Other	
2	Allocations	Items	Funds	
3	<u>*****</u>			
4	Education Support and Admin Services	532<u>512</u>,200	377,800	154<u>134</u>,400
5	Student and School	532	512,200	
6	Achievement			
7	<u>*****</u>			
8	<u>*****</u>			
9	***** Department of Family and Community Services *****			
10	<u>*****</u>			
11	<u>*****</u>			
12	At the discretion of the Commissioner of the Department of Family and Community Services, up to \$7,500,000 may be transferred between all appropriations in the Department of Family and Community Services.			
15	Alaska Psychiatric Institute	22,237,600	22,237,600	
16	Alaska Psychiatric <u>Institute</u>	21,575,600		
17	<u>Institute</u>			
18	Facility Rent, Operations,-	662,000		
19	and Maintenance			
20	Children's Services	2,226,900	2,226,900	
21	Children's Services-	69,500		
22	Management			
23	Front Line Social Workers	148,500		
24	Family Preservation	726,000		
25	Foster Care Augmented <u>Rate</u>	500,000		
26	<u>—Rate</u>			
27	Foster Care Special Need	782,900		
28	Juvenile Justice	1,770,900	1,670,900	100,000
29	McLaughlin Youth Center	989,800		
30	Fairbanks Youth Facility	143,300		
31	Bethel Youth Facility	211,800		
32	Probation Services	326,000		
33	Juvenile Justice Health-	100,000		

		Appropriation	General	Other
		Allocations	Items	Funds
1	Care			
2	Departmental Support Services	8,288,300	7,799,814,000	7,324,700
3	Coordinated Health and	8,281,400	7,807,100	
4	Complex Care			
5	Commissioner's Office	6,900		
6		*****	*****	
7				
8				
9				
10		*****	*****	
11				
12		*****	*****	
13	At the discretion of the Commissioner of the Department of Health, up to \$15,000,000 may be transferred between all appropriations in the Department of Health.			
14				
15	Behavioral Health	54,062,700	337,000	52,253,100
16	Behavioral Health <u>Treatment</u>	32,904,100		
17	<u>Treatment</u> and Recovery			
18	—Grants			
19	Alcohol Safety Action-	1,311,100		
20	Program (ASAP)			
21	Behavioral Health-	10,220,020,300		
22	Administration			
23	Behavioral Health-	5,987,300		
24	Prevention and Early			
25	Intervention Grants			
26	Alaska Mental Health <u>Board</u>	1,036,300		
27	<u>Board</u> and Advisory Board			
28	—on			
29	—Alcohol and Drug Abuse			
30	Suicide Prevention Council	626,200		
31	Residential Child Care	1,614,400	2,088,700	
32	Behavioral Health Facility-	363,000		
33	Operations and Maintenance			

		Appropriation	General	Other
	Allocations	Items	Funds	Funds
3	Health Care Services	283,000	283,000	
4	Health Facilities Licensing- and Certification	128,700		
6	The amount allocated for Health Facilities Licensing and Certification includes the unexpended and unobligated balance on June- <u>30</u> , 2026, of general fund program receipts collected for biennial license fees issued under AS- <u>47.32.050</u> .			
9	Residential Licensing	154,300		
10	Public Health	5,133<u>4,912</u>,000	4,516,200	616<u>395</u>,800
11	Women, Children and <u>Family</u>	2, <u>181</u> <u>090</u> ,000		
12	<u>Family</u> Health			
13	Emergency Programs	700		
14	Chronic Disease Prevention- and Health Promotion	2, <u>604</u> <u>474</u> ,800		
16	Bureau of Vital Statistics	74,500		
17	Public Health Facility- Operations and Maintenance	272,000		
19	Senior and Disabilities Services	12,<u>589</u><u>,200</u><u>753</u>,500	10,786,300	1,802,<u>900</u><u>967</u>,200
20	Senior and Disabilities- Community Based Grants	1,180,600		
22	Early Intervention/Infant- Learning Programs	<u>7,724</u> <u>8,184</u> ,500		
24	Senior and Disabilities- Services Administration	2, <u>155</u> <u>,900</u> <u>150</u> ,200		
26	General Relief/Temporary- Assisted Living	740,300		
28	Commission on Aging	<u>274</u> <u>206</u> ,000		
29	Governor's Council on- Disabilities and Special Education	<u>474</u> <u>249</u> ,400		
32	Senior and Disabilities- Services Facility	42,500		

		Appropriation	General	Other
		Allocations	Items	Funds
3	Operations			
4	—and Maintenance			
5	Medicaid Services		82,155,800	82,155,800
6	Medicaid Services	82,155,800		
7		*****	*****	
8			*****	
9	***** Department of Labor and Workforce Development *****			
10		*****	*****	
11		*****	*****	
12	Commissioner and Administrative-		25,900	25,900
13	Services			
14	Labor Market Information	25,900		
15	Vocational Rehabilitation		100,000	100,000
16	Vocational Rehabilitation	100,000		
17	Administration			
18	The amount allocated for Vocational Rehabilitation Administration includes the unexpended			
19	and unobligated balance on June 30, 2026, of receipts from all prior fiscal years collected			
20	under the Department of Labor and Workforce Development's federal indirect cost plan for			
21	expenditures incurred by the Department of Labor and Workforce Development.			
22		*****	*****	
23		*****	*****	
24	***** Department of Law *****			
25		*****		
26		*****	*****	
27	Civil Division		100,100	100,100
28	The amount appropriated by this appropriation includes the unexpended and unobligated			
29	balance on June 30, 2026, of inter-agency receipts collected in the Department of Law's			
30	federally approved cost allocation plan.			
31	Health, Safety & Welfare	100,100		
32		*****	*****	
33			*****	

1	Appropriation	General	Other
2	Allocations	Items	Funds
3	* * * * * Department of Natural Resources * * * * *		
4	*****	*****	
5	*****	*****	
6	Administration & Support Services	6,438,200	6,438,200 5,865,000
7	Mental Health Trust Lands- 5,542,400		
8	Administration		
9	Mental Health Trust Lands 895,800 <u>322,600</u>		
10	Facility Operations and		
11	Maintenance		
12	*****	*****	
13	*****		
14	* * * * * Department of Public Safety * * * * *		
15	*****	*****	
16	*****	*****	
17	Alaska State Troopers	6050,000	6050,000
18	Alaska State Trooper 60 <u>50</u> ,000		
19	Detachments		
20	Alaska Police Standards Council	80,000	80,000
21	The amount appropriated by this appropriation includes the unexpended and unobligated		
22	balance on June- <u>30</u> , 2026, of the receipts collected under AS- <u>12.25.195(c)</u> , AS- <u>12.55.039</u> ,		
23	AS- <u>28.05.151</u> , and AS- <u>29.25.074</u> and receipts collected under AS- <u>18.65.220(7)</u> .		
24	Alaska Police Standards- 80,000		
25	Council		
26	Integrated Victim Assistance	1,617,500	1,617,500
27	Council on Domestic- 1,617,500		
28	Violence and Sexual Assault		
29	*****	*****	
30	*****		
31	* * * * * Department of Revenue * * * * *		
32	*****	*****	
33	*****	*****	

		Appropriation	General	Other
		Allocations	Items	Funds
3	Alaska Mental Health Trust Authority	6,718,500 <u>420,000</u>		787,100 <u>5,931,400</u> 632,900
4	Mental Health Trust-	5,931,400 632,900		
5	Operations			
6	Long Term Care <u>Ombudsman</u>	787,100		
7	<u>Ombudsman</u> Office			
8	Alaska Housing Finance Corporation		200,000	200,000
9	AHFC Operations	200,000		
10		*****	*****	
11			*****	
12		***** University of Alaska *****		
13			*****	
14		*****	*****	
15	University of Alaska		3,4312,675 ,800	805,800 <u>2,6261,870</u> ,000
16	Anchorage Campus	3,3842,625,800		
17	Troth Yeddha' Campus	50,000		
18		*****	*****	
19			*****	
20		***** Judiciary *****		
21			*****	
22		*****	*****	
23	Alaska Court System		634532 ,800	532,800
24	Trial Courts	634532,800		102,000
25	Therapeutic Courts		4,562,700	4,404,400
26	Therapeutic Courts	4,562,700		158,300
27	(SECTION 2 OF THIS ACT BEGINS ON THE NEXT PAGE)			

1 * **Sec. 2.** ~~–~~The following sets out the funding by agency for the appropriations made in sec. 1

1 of
2 this Act.

3	Funding Source	4	Amount
Department of Administration			
6	1037- General Fund / Mental Health-		3,894,900
8	1092- Mental Health Trust Authority Authorized		423,600
9	—Receipts		
10	<u>*** 367,600</u>		
11	<u>*** Total Agency Funding ***</u>		<u>\$*** 4,318,262</u>
Department of Corrections			
15	1037- General Fund / Mental Health-		9,707,800
17	1092- Mental Health Trust Authority Authorized		501,700
18	—Receipts		
19	<u>641,700</u>		
20	1246- Recidivism Reduction Fund-		6,970,500
21	<u>*</u>	<u>*</u>	<u>*</u>
22	<u>*** Total Agency Funding ***</u>		<u>\$*** 17,180,32</u>
Department of Education and Early Development			
26	1037- General Fund / Mental Health-		377,800
28	1092- Mental Health Trust Authority Authorized		154,400
29	—Receipts		
30	<u>*** 134,400</u>		
31	<u>*** Total Agency Funding ***</u>		<u>\$532*** 512,200</u>

1		
2	Department of Family and Community Services	
3		
4	1037- <u>General Fund / Mental Health-</u>	33,934,400
5	<u>460,100</u>	
6	1092- <u>Mental Health Trust Authority Authorized</u> <u>Receipts</u>	589,300
7	<u>Receipts</u>	
8	**	*
9	<u>*** Total Agency Funding ***</u>	\$*** 34,523,7
10	<u>049,400</u>	
11	Department of Health	
12		
13	1037- <u>General Fund / Mental Health</u>	118,963,000
14	<u>119,437,300</u>	
15	1092- <u>Mental Health Trust Authority Authorized</u>	4,229,300
16	<u>Receipts</u>	
17	<u>3,972,600</u>	
18	1180- <u>Alcohol and Other Drug Abuse Treatment &</u>	20,100,000
19	<u>Prevention Fund</u>	
20	<u>20,100,000</u>	
21	1246- <u>Recidivism Reduction Fund-</u>	4,412,000
22		
23	1254- <u>Marijuana Education and Treatment Fund-</u>	6,519,400
24	**	*
25	<u>*** Total Agency Funding ***</u>	\$*** 154,223,
26	<u>441,300</u>	
27	Department of Labor and Workforce Development	
28		
29	1092- <u>Mental Health Trust Authority Authorized</u>	125,900
30	<u>Receipts</u>	
31	<u>*** 25,900</u>	

1	1094- <u>Mental Health Trust Administration-</u>	5, <u>931,400</u>
2	<u>*</u>	<u>*</u>
3	<u>*** Total Agency Funding ***</u>	<u>\$*** 6,918,50</u>
4	<u>620,000</u>	
5	University of Alaska	
6		
7	1037- <u>General Fund / Mental Health-</u>	805,800
8		
9	1092- <u>Mental Health Trust Authority Authorized</u>	<u>2,626,000</u>
10	<u>—Receipts</u>	
11	<u>*** 1,870,000</u>	
12	<u>*** Total Agency Funding ***</u>	<u>\$3,431*** 2,675,80</u>
13		
14	Judiciary	
15		
16	1037- <u>General Fund / Mental Health-</u>	4,937,200
17		
18	1092- <u>Mental Health Trust Authority Authorized</u>	<u>260,300</u>
19	<u>—Receipts</u>	
20	<u>*** 158,300</u>	
21	<u>*** Total Agency Funding ***</u>	<u>\$*** 5,197,095</u>
22		
23	<u>*** * * * Total Budget * * *</u>	<u>\$234,747,600* * 232,715,</u>
24	(SECTION 3 OF THIS ACT BEGINS ON THE NEXT PAGE)	

1 * Sec. 3. The following sets out the statewide funding for the appropriations made in sec. 1 of
2 this Act.

	<u>Funding Source</u>	<u>Amount</u>
<u>Unrestricted General</u>		
5	<u>1037 General Fund / Mental Health</u>	<u>173,508,100</u>
6	<u>*** Total Unrestricted General ***</u>	<u>173,508,100</u>
<u>Designated General</u>		
8	<u>1180 Alcohol and Other Drug Abuse Treatment & Prevention Fund</u>	<u>20,100,000</u>
9	<u>1246 Recidivism Reduction Fund</u>	<u>13,000,000</u>
10	<u>1254 Marijuana Education and Treatment Fund</u>	<u>6,519,400</u>
11	<u>*** Total Designated General ***</u>	<u>39,619,400</u>
<u>Other Non-Duplicated</u>		
13	<u>1092 Mental Health Trust Authority Authorized Receipts</u>	<u>13,954,800</u>
14	<u>1094 Mental Health Trust Administration</u>	<u>5,632,900</u>
15	<u>*** Total Other Non-Duplicated ***</u>	<u>19,587,700</u>
16	<u>* See. 3. (SECTION 4 OF THIS ACT BEGINS ON THE NEXT PAGE)</u>	

1 *** Sec. 4.** The following appropriations are for capital projects and grants from the general
2 fund or other funds as set out in sec. 45 of this Act by funding source to the agencies named
3 for the purposes expressed. They lapse under AS-37.25.020, unless otherwise noted.

4	Appropriation	General	Other
5	Allocations	Items	Funds
6			
7	* * * * *	* * * * *	
8			
9	* * * * * Department of Health * * * * *		
10			
11	* * * * *	* * * * *	
12	MH Trust: Deferred Maintenance and- 500,000		500,000
13	Accessibility Improvements (HD 1-40)		
14	MH Trust: Home Modification and- 1,150,000	1,150,000	
15	Upgrades to Retain Housing (HD 1-40)		
16	MH Trust: Person Centered- 250,000		250,000
17	Transportation (HD 1-40)		
18	MH Trust: Universal Changing Spaces- 250,000		250,000
19	Assistance Fund (HD 1-40)		
20			
21	* * * * *	* * * * *	
22			
23	* * * * * Department of Revenue * * * * *		
24			
25	Alaska Housing Finance Corporation		
26	MH Trust: AHFC Homeless Assistance- 5,000,000	4,050,000	950,000
27	Program (HD 1-40)		
28	MH Trust: AHFC Beneficiary and Special- 1,950,000	1,750,000	200,000
29	Needs Housing (HD 1-40)		
30	MH Trust: AHFC Rural Housing- 135,000		135,000
31	Coordinator - Ketchikan (HD 1-40)		

	Appropriation	General	Other
	Allocations	Items	Funds
	Funds		
1	* * * * *		<u>* * * * *</u>
2		<u>* * * * *</u>	
3	* * * * * Department of Transportation and Public Facilities * * * * *		
4	<u>* * * * *</u>		<u>* * * * *</u>
5	<u>* * * * *</u>		<u>* * * * *</u>
6	MH Trust: Coordinated Transportation-	700,000	700,000
7	and Vehicles (HD 1-40)		
8	(SECTION 4 OF THIS ACT BEGINS ON THE NEXT PAGE)		

~~* See 4. The following sets out the funding by agency for the appropriations made in sec. 3 of this Act.~~

Funding Source Amount

Department of Health

1037 General Fund / Mental Health 1,150,000

~~1092 Mental Health Trust Authority Authorized~~ 1,000,000

~~Receipts~~

*** Total Agency Funding *** \$2,150,000

Department of Revenue

1092 Mental Health Trust Authority Authorized 1,285,000

~~Receipts~~

1139 Alaska Housing Finance Corporation Dividend 5,800,000

*** **Total Agency Funding** *** \$7,085,000

Department of Transportation and Public Facilities

~~1037 General Fund / Mental Health~~ **700,000**

*** **Total Agency Funding** *** \$700,000

*** Total Budget *** \$9,935,000

(SECTION 5 OF THIS ACT BEGINS ON THE NEXT PAGE)

1 sees. 1 and 3 sec. 4 of
2 this Act.

3 Funding Source _____ Amount

4 **Unrestricted General Funds**

5 <u>Department</u>	6 <u>of</u>	7 <u>Health</u>
1037- General Fund / Mental Health		<u>175,358,100</u>
1139 Alaska Housing Finance Corporation Dividend		<u>5,800,000</u>
<u>*** Total Unrestricted General Funds ***</u>		<u>\$181,158,100</u>

9 **Designated General Funds**

10 1180 Alcohol and Other Drug Abuse Treatment &	20,100,000
11 Prevention Fund	
12 1246 Recidivism Reduction Fund	13,000,000
13 1254 Marijuana Education and Treatment Fund	6,519,400
14 *** Total Designated General Funds ***	\$39,619,400

15 **Other Non-Duplicated Funds**

16 <u>1,150,000</u>	
17 1092 Mental Health Trust Authority Authorized	17,973,700
18 Receipts	
19 1094 1,000,000	
20 <u>*** Total Agency Funding ***</u>	<u>2,150,000</u>

21 <u>Department</u>	22 <u>of</u>	23 <u>Revenue</u>
22 <u>1092 Mental Health Trust Administration</u>		<u>5,931,400</u>
<u>*** Total Other Non-Duplicated Funds ***</u>		<u>\$23,905,100</u>

24 **Other Duplicated Funds**

25 *** Total Other Duplicated Funds *** \$0

26 **Federal Authority Authorized Receipts**

27 <u>*** Total Federal Receipts ***</u>	<u>\$0</u>
28 <u>1,285,000</u>	

29 <u>1139 Alaska Housing Finance Corporation Dividend</u>	<u>5,800,000</u>
--	------------------

30 *** Total Agency Funding *** 7,085,000

31 **Department of Transportation and Public Facilities**

1	<u>1037 General Fund / Mental Health</u>	700,000
2	<u>*** Total Agency Funding ***</u>	700,000
3	<u>* * * * Total Budget * * *</u>	<u>\$244,682,600* * 9,935,00</u>

4 (SECTION 6 OF THIS ACT BEGINS ON THE NEXT PAGE)

1 ~~* See. 6* Sec. 6. The following sets out the statewide funding for the appropriations made~~
2 ~~in~~ ~~sec.~~ ~~4~~ ~~of~~
3 ~~this Act.~~

4	<u>Funding Source</u>	<u>Amount</u>
5	<u>Unrestricted General</u>	
6	1037 General Fund / Mental Health	1,850,000
7	1139 Alaska Housing Finance Corporation Dividend	5,800,000
8	*** Total Unrestricted General ***	7,650,000
9	<u>Other Non-Duplicated</u>	
10	1092 Mental Health Trust Authority Authorized Receipts	2,285,000
11	*** Total Other Non-Duplicated ***	2,285,000

(SECTION 7 OF THIS ACT BEGINS ON THE NEXT PAGE)

1 *** Sec. 7.** PURPOSE. In accordance with AS 37.14.003 and 37.14.005, the appropriations
2 made in this Act are for the state's integrated comprehensive mental health program.

3 *** Sec. 78.** NONGENERAL FUND RECEIPTS. (a) Alaska Mental Health Trust Authority
4 authorized receipts (AS 37.14.036) or administration receipts (AS 37.14.036) that exceed the
5 amounts appropriated in this Act are appropriated conditioned upon compliance with the
6 program review provisions of AS 37.07.080(h).

7 (b) If Alaska Mental Health Trust Authority authorized receipts (AS 37.14.036) or
8 administration receipts (AS 37.14.036) fall short of the estimates used as the basis of the
9 appropriation, the affected appropriation is reduced by the amount of the shortfall in receipts.

10 *** Sec. 89.** SALARY AND BENEFIT ADJUSTMENTS. (a) The appropriations made in
11 sec.-1 of this Act include amounts for salary and benefit adjustments for public officials,
12 officers, and employees of the executive branch, Alaska Court System employees, employees
13 of the legislature, and legislators and to implement the monetary terms for the fiscal year
14 ending June 30, 2027, of the following ongoing collective bargaining agreements:

15 (1) Public Employees Local 71, for the labor, trades, and crafts unit;
16 (2) Alaska Public Employees Association, for the supervisory unit;
17 (3) Teachers' Education Association of Mt. Edgecumbe, representing the
18 teachers of Mt. Edgecumbe High School;

19 (4) Alaska Vocational Technical Center Teachers' Association, National
20 Education Association, representing the employees of the Alaska Vocational Technical
21 Center;

22 (5) International Organization of Masters, Mates, and Pilots, representing the
23 masters, mates, and pilots unit;

24 (6) Alaska State Employees Association, for the general government unit;
25 (7) Marine Engineers' Beneficial Association, representing licensed engineers
26 employed by the Alaska marine highway system;

27 (8) Confidential Employees Association, representing the confidential unit;
28 (9) Inlandboatmen's Union of the Pacific, Alaska Region, representing the
29 unlicensed marine unit.

30 (b) The appropriations made to the University of Alaska in sec. 1 of this Act include
31 amounts for salary and benefit adjustments to implement the monetary terms for the fiscal

1 year ending June 30, 2027, of the following collective bargaining agreements:

- 2 (1) Alaska Graduate Workers Association/UAW;
- 3 (2) United Academics - American Association of University Professors,
4 American Federation of Teachers;
- 5 (3) United Academic - Adjuncts - American Association of University
6 Professors, American Federation of Teachers.

7 (c) If a collective bargaining agreement listed in (a) of this section is not ratified by
8 the membership of the respective collective bargaining unit, the appropriations made in this
9 Act applicable to the collective bargaining unit's agreement are adjusted proportionately by
10 the amount for that collective bargaining agreement, and the corresponding funding source
11 amounts are adjusted accordingly.

12 (d) If a collective bargaining agreement listed in (b) of this section is not ratified by
13 the membership of the respective collective bargaining unit and approved by the Board of
14 Regents of the University of Alaska, the appropriations made in this Act applicable to the
15 collective bargaining unit's agreement are adjusted proportionately by the amount for that
16 collective bargaining agreement, and the corresponding funding source amounts are adjusted
17 accordingly.

18 (e) Appropriations made in sec. 1 of this Act for salary and benefit adjustments as
19 described in (a) and (b) of this section are for the benefit of the state's integrated
20 comprehensive mental health program only and do not necessarily affect every group of
21 noncovered employees or every collective bargaining unit listed in (a) and (b) of this section.

22 * **Sec. 910.** This Act takes effect July 1, 2026.