

December 11, 2025

-34-GH2502\IMarx2/6/26**CS FOR HOUSE BILL NO. 265(FIN)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FOURTH LEGISLATURE - SECOND SESSION

BY THE **RULES**~~HOUSE FINANCE~~ COMMITTEE ~~BY REQUEST OF THE GOVERNOR~~**Introduced/Offered:****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)

	Appropriation		General	Other
	Allocations	Items	Funds	Funds
	*****	*****		
4	Education Support and Admin Services	532,512,200	377,800	154,134,400
5	Student and School	532,512,200		
6	Achievement			
7	*****	*****		
8		*****		
9	***** Department of Family and Community Services *****			
10		*****		
11	*****	*****		
12	At the discretion of the Commissioner of the Department of Family and Community Services,			
13	up to \$7,500,000 may be transferred between all appropriations in the Department of Family			
14	and Community Services.			
15	Alaska Psychiatric Institute	22,237,600	22,237,600	
16	Alaska Psychiatric Institute	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	Rate			
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	Funds	Funds
Care			
4 Departmental Support Services	8,288,300	7,799,814,000	7,324,700 489,300
5 Coordinated Health and	8,281,400	7,807,100	
6 Complex Care			
7 Commissioner's Office	6,900		
8	*****	*****	
9	*****		
10 ***** Department of Health *****			
11	*****		
12	*****	*****	
13 At the discretion of the Commissioner of the Department of Health, up to \$15,000,000 may be			
14 transferred between all appropriations in the Department of Health.			
15 Behavioral Health	54,062,700	337,000	52,253,100 727,400 1,809,609,600
16 Behavioral Health Treatment	32,904,100		
17 Treatment and Recovery			
18 Grants			
19 Alcohol Safety Action-	1,311,100		
20 Program (ASAP)			
21 Behavioral Health-	10,220,20,300		
22 Administration			
23 Behavioral Health-	5,987,300		
24 Prevention and Early			
25 Intervention Grants			
26 Alaska Mental Health Board	1,036,300		
27 Board 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	Funds	Funds
3	Health Care Services	283,000	283,000	
4	Health Facilities Licensing-	128,700		
5	and Certification			
6	The amount allocated for Health Facilities Licensing and Certification includes the			
7	unexpended and unobligated balance on June-30, 2026, of general fund program receipts			
8	collected for biennial license fees issued under AS-47.32.050.			
9	Residential Licensing	154,300		
10	Public Health	5,1334,912,000	4,516,200	616395,800
11	Women, Children and <u>Family</u>	2, 181 090,000		
12	Family Health			
13	Emergency Programs	700		
14	Chronic Disease Prevention-	2, 604 474,800		
15	and Health Promotion			
16	Bureau of Vital Statistics	74,500		
17	Public Health Facility-	272,000		
18	Operations and Maintenance			
19	Senior and Disabilities Services	12,589,200753,500	10,786,300	1,802,900967,200
20	Senior and Disabilities-	1,180,600		
21	Community Based Grants			
22	Early Intervention/Infant	7,724 8,184,500		
23	Learning Programs			
24	Senior and Disabilities-	2, 155,900 150,200		
25	Services Administration			
26	General Relief/Temporary-	740,300		
27	Assisted Living			
28	Commission on Aging	271 206,000		
29	Governor's Council on	474 249,400		
30	Disabilities and Special			
31	Education			
32	Senior and Disabilities-	42,500		
33	Services Facility			

	Appropriation	General	Other
	Allocations	Funds	Funds
1			
2			
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	*****		

	Appropriation	General	Other
	Allocations	Funds	Funds
1			
2			
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	322,600
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	50,000
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-30, 2026, of the receipts collected under AS-12.25.195(c), AS-12.55.039,		
23	AS-28.05.151, and AS-29.25.074 and receipts collected under AS-18.65.220(7).		
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	Funds
3	Alaska Mental Health Trust Authority	6, 718,500 <u>420,000</u>	787,1005, 931,400 <u>632,900</u>	
4	Mental Health Trust-	5, 931,400 <u>632,900</u>		
5	Operations			
6	Long Term Care <u>Ombudsman</u>	787,100		
7	Ombudsman -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, 431 <u>2,675</u> ,800	805,800 2, 626 <u>1,870</u> ,000	
16	Anchorage Campus	3, 381 <u>2,625</u> ,800		
17	Troth Yeddha' Campus	50,000		
18	*****	*****		
19	*****			
20	***** Judiciary *****			
21	*****	*****		
22	*****	*****		
23	Alaska Court System	6 34 <u>532</u> ,800	532,800	102,000
24	Trial Courts	6 34 <u>532</u> ,800		
25	Therapeutic Courts	4,562,700	4,404,400	158,300
26	Therapeutic Courts	4,562,700		
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~~

, **Sec. 2**

1 of
2 this Act.

3 Funding Source-_____ Amount

4 **Department of Administration**

5
6 1037-__General Fund / Mental Health- 3,894,900

7
8 1092-__Mental Health Trust Authority Authorized _____423,600

9 —Receipts

10 *** 367,600

11 *** Total Agency Funding *** \$*** 4,318,262

12
13 **Department of Corrections**

14
15 1037-__General Fund / Mental Health- 9,707,800

16
17 1092-__Mental Health Trust Authority Authorized _____501,700

18 —Receipts

19 641,700

20 1246-__Recidivism Reduction Fund- 6,970,500

21 * * *

22 *** Total Agency Funding *** \$*** 17,180,322

23
24 **Department of Education and Early Development**

25
26 1037-__General Fund / Mental Health- 377,800

27
28 1092-__Mental Health Trust Authority Authorized _____154,400

29 —Receipts

30 *** 134,400

31 *** Total Agency Funding *** \$532*** 512,200

1
2 **Department of Family and Community Services**

3
4 1037-__General Fund / Mental Health- 33,934,400
5 460,100

6 1092-__Mental Health Trust Authority Authorized -Receipts 589,300
7 —Receipts

8 * * *
9 *** Total Agency Funding * * * \$*** 34,523,7

10 049,400

11 **Department of Health**

12
13 1037-__General Fund / Mental Health- 118,963,000
14 119,437,300

15 1092-__Mental Health Trust Authority Authorized 4,229,300
16 —Receipts

17 3,972,600

18 1180-__Alcohol and Other Drug Abuse Treatment & 20,100,000
19 —Prevention Fund

20 20,100,000

21 1246-__Recidivism Reduction Fund- 4,412,000

22
23 1254-__Marijuana Education and Treatment Fund- 6,519,400
24 * * *

25 *** Total Agency Funding * * * \$*** 154,223,
26 441,300

27 **Department of Labor and Workforce Development**

28
29 1092-__Mental Health Trust Authority Authorized 125,900
30 —Receipts

31 * * * 25,900

1 *** Total Agency Funding * * * \$125*** 25,900

2
3 **Department of Law**

4
5 1037-__General Fund / Mental Health 100, 100

6 * * *

7 *** Total Agency Funding * * * \$100,*** 100

8 ,100

9 **Department of Natural Resources**

10
11 1092-__Mental Health Trust Authority Authorized 6,438,200

12 —Receipts

13 * * * 5,865,000

14 *** Total Agency Funding * * * \$6,438,200

15 *** 5,865,000

16 **Department of Public Safety**

17
18 1092-__Mental Health Trust Authority Authorized 140,000

19 —Receipts

20 130,000

21 1246-__Recidivism Reduction Fund- 1,617,500

22 * * *

23 *** Total Agency Funding * * * \$*** 1,757,475

24
25 **Department of Revenue**

26
27 1037-__General Fund / Mental Health- 787,100

28
29 1092-__Mental Health Trust Authority Authorized 200,000

30 —Receipts

31 200,000

1	1094-__Mental Health Trust Administration-	5,931,400	
2	*	*632,900	
3	*** Total Agency Funding ***	\$***	6,918,50
4	620,000		
5	University of Alaska		
6			
7	1037-__General Fund / Mental Health-	805,800	
8			
9	1092-__Mental Health Trust Authority Authorized	2,626,000	
10	—Receipts		
11	*** 1,870,000		
12	*** Total Agency Funding ***	\$3,431***	2,675,80
13			
14	Judiciary		
15			
16	1037-__General Fund / Mental Health-	4,937,200	
17			
18	1092-__Mental Health Trust Authority Authorized	260,300	
19	—Receipts		
20	*** 158,300		
21	*** Total Agency Funding ***	\$***	5,197,095
22			
23	*** Total Budget ***	\$234,747,600	232,715,
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>
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4 **Unrestricted General**

<u>1037 General Fund / Mental Health</u>	<u>173,508,100</u>
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<u>*** Total Unrestricted General ***</u>	<u>173,508,100</u>
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7 **Designated General**

<u>1180 Alcohol and Other Drug Abuse Treatment & Prevention Fund</u>	<u>20,100,000</u>
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<u>1246 Recidivism Reduction Fund</u>	<u>13,000,000</u>
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<u>1254 Marijuana Education and Treatment Fund</u>	<u>6,519,400</u>
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<u>*** Total Designated General ***</u>	<u>39,619,400</u>
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12 **Other Non-Duplicated**

<u>1092 Mental Health Trust Authority Authorized Receipts</u>	<u>13,954,800</u>
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<u>1094 Mental Health Trust Administration</u>	<u>5,632,900</u>
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<u>*** Total Other Non-Duplicated ***</u>	<u>19,587,700</u>
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16 ~~* Sec. 3.~~ (SECTION 4 OF THIS ACT BEGINS ON THE NEXT PAGE)

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

	Appropriation	General	Other
	Allocations	Funds	Funds
	*****	*****	

	***** Department of Health *****		
	*****	*****	
	*****	*****	
MH Trust: Deferred Maintenance and-	500,000		500,000
Accessibility Improvements (HD 1-40)			
MH Trust: Home Modification and-	1,150,000	1,150,000	
Upgrades to Retain Housing (HD 1-40)			
MH Trust: Person Centered-	250,000		250,000
Transportation (HD 1-40)			
MH Trust: Universal Changing Spaces-	250,000		250,000
Assistance Fund (HD 1-40)			
	*****	*****	

	***** Department of Revenue *****		
	*****	*****	
	*****	*****	
Alaska Housing Finance Corporation			
MH Trust: AHFC Homeless Assistance-	5,000,000	4,050,000	950,000
Program (HD 1-40)			
MH Trust: AHFC Beneficiary and Special-	1,950,000	1,750,000	200,000
Needs Housing (HD 1-40)			
MH Trust: AHFC Rural Housing-	135,000		135,000
Coordinator - Ketchikan (HD 1-40)			

1	Appropriation	General	Other
2	Allocations	Items	Funds Funds

1	*****	*****	
2		*****	
3	***** Department of Transportation and Public Facilities *****		
4	*****	*****	
5	*****	*****	
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)		

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

Funding Source	Amount
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~~Department of Health~~

1037 General Fund / Mental Health	1,150,000
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1092 Mental Health Trust Authority Authorized	1,000,000
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~~Receipts~~

*** Total Agency Funding ***	\$2,150,000
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~~Department of Revenue~~

1092 Mental Health Trust Authority Authorized	1,285,000
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~~Receipts~~

1139 Alaska Housing Finance Corporation Dividend	5,800,000
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*** Total Agency Funding ***	\$7,085,000
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~~Department of Transportation and Public Facilities~~

1037 General Fund / Mental Health	700,000
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*** Total Agency Funding ***	\$700,000
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*** Total Budget ***	\$9,935,000
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(SECTION 5 OF THIS ACT BEGINS ON THE NEXT PAGE)

1 * **Sec. 5.** -The following ~~summarizes by fund source~~sets out the funding by agency for the
2 appropriations made in

secs. _____ 1 _____ and _____ 3sec. _____ 4 of
this Act.

Funding Source _____ Amount

~~Unrestricted General Funds~~

~~Department _____ of _____ Health~~

~~1037- General Fund / Mental Health 175,358,100~~

~~1139 Alaska Housing Finance Corporation Dividend 5,800,000~~

~~*** Total Unrestricted General Funds *** \$181,158,100~~

~~Designated General Funds~~

~~1180 Alcohol and Other Drug Abuse Treatment & 20,100,000~~

~~Prevention Fund~~

~~1246 Recidivism Reduction Fund 13,000,000~~

~~1254 Marijuana Education and Treatment Fund 6,519,400~~

~~*** Total Designated General Funds *** \$39,619,400~~

~~Other Non-Duplicated Funds~~

~~1,150,000~~

~~1092- Mental Health Trust Authority Authorized 17,973,700~~

~~Receipts~~

~~1094 1,000,000~~

~~*** Total Agency Funding *** 2,150,000~~

~~Department _____ of _____ Revenue~~

~~1092 Mental Health Trust Administration 5,931,400~~

~~*** Total Other Non-Duplicated Funds *** \$23,905,100~~

~~Other Duplicated Funds~~

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

~~Federal Authority Authorized Receipts~~

~~*** Total Federal Receipts *** \$0~~

~~1,285,000~~

~~1139 Alaska Housing Finance Corporation Dividend 5,800,000~~

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

~~Department of Transportation and Public Facilities~~

1	<u>1037 General Fund / Mental Health</u>	<u>700,000</u>
2	<u>*** Total Agency Funding ***</u>	<u>700,000</u>
3	<u>*** Total Budget ***</u>	<u>\$244,682,600 * * 9,935,00</u>
4	(SECTION 6 OF THIS ACT BEGINS ON THE NEXT PAGE)	

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

<u>Funding Source</u>	<u>Amount</u>
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Unrestricted General

1037 General Fund / Mental Health	1,850,000
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1139 Alaska Housing Finance Corporation Dividend	5,800,000
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*** Total Unrestricted General ***	7,650,000
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Other Non-Duplicated

1092 Mental Health Trust Authority Authorized Receipts	2,285,000
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*** Total Other Non-Duplicated ***	2,285,000
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(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

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

(1) Alaska Graduate Workers Association/UAW;

(2) United Academics - American Association of University Professors,
American Federation of Teachers;

(3) United Academic - Adjuncts - American Association of University
Professors, American Federation of Teachers.

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

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

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

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