

**2026 SESSION OPERATING BUDGET AMENDMENT PROPOSAL**

**OFFERED IN:** The House Finance Subcommittee for the Department of Family and Community Services

**TO:** HB 263 / HB 265

**OFFERED BY:** Representative Andrew Gray

**FISCAL YEAR:** FY2027

**DEPARTMENT:** Family and Community Services

**APPROPRIATION:** Children's Services

**ALLOCATION:** Front Line Social Workers

**ADD:**

Total: \$8,289.6

\$5,037.6 Gen Fund/MT (code 1003).

\$3,252.0 Federal Repts (code 1002).

Inc

For Front Line Social Workers.

**POSITIONS:** 0

**EXPLANATION:**

This funding is a 10% increase in the allocation for Front Line Social Workers to provide a 10% increase in compensation to Front Line Social Workers. A significant and immediate raise is needed to address unacceptably high vacancy and turnover rates among front line social workers. These positions are critical to the safety and wellbeing of children in state custody.

**2026 SESSION OPERATING BUDGET AMENDMENT PROPOSAL**

**OFFERED IN:** The House Finance Subcommittee for the Department of Family & Community Services

**TO:** HB 263 / HB 265

**OFFERED BY:** Representative Josephson

**FISCAL YEAR:** FY2027

**DEPARTMENT:** Family & Community Services

**APPROPRIATION:** Children's Services

**ALLOCATION:** Front Line Social Workers

**ADD:** **\$260.0 General Fund (1004)**  
IncT FY27-28

**DELETE:**

**POSITIONS:**

**EXPLANATION:** This increment funds retention bonuses of \$1,000 per person per year for front-line social workers. The department will determine eligibility criteria and payment schedule.

It is the intent of the Legislature that the department provide a report on the implementation of retention bonuses for each fiscal year, including eligibility criteria, number of retention bonuses awarded, and the Department's assessment of the impact of the bonuses, including the underlying data for that assessment.

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**TO:** HB 263 / HB 265

**OFFERED BY:** Representative Andrew Gray

**FISCAL YEAR:** FY2027

**DEPARTMENT:** Family and Community Services

**APPROPRIATION:** Children's Services

**ALLOCATION:** Children's Services Management

**ADD:**

\$120.0

Gen Fund (code 1004)

IncOTI

It is the intent of the Legislature that the Department of Administration conduct a salary study of State of Alaska front-line social workers.

**EXPLANATION:**

The vacancy rate for front-line social workers in the Office of Children's Services is unacceptably high. The agency's own budget documents state, "The agency is experiencing chronically high vacancies and turnover rates for case-carrying employees." The agency notes "lack of competitive salary" among the top reasons exiting staff cite for their departure. [Page 2, FY2027 Governor's Operating Budget, Department of Family and Community Services Front Line Social Workers Component Budget Summary]

This lack of social workers puts children at risk and increases burnout and turnover among existing staff. A salary study is needed to identify appropriate compensation levels to help fill these important positions.

**2026 SESSION OPERATING BUDGET AMENDMENT PROPOSAL**

**OFFERED IN:** The House Finance Subcommittee for the Department of Family and Community Services

**TO:** HB 263 / HB 265

**OFFERED BY:** Representative Fields

**FISCAL YEAR:** FY 27

**DEPARTMENT:** Family and Community Services

**APPROPRIATION:** Office of Children's Services

**ALLOCATION:** Front Line Social Workers

**ADD:** n/a

**EXPLANATION:** It is the intent of the Legislature that the Office of Children's Services hire the flexed Protective Services Specialist positions at the Protective Services Specialist 3 level.

It is also the intent of the Legislature that the Office of Children's Services request that all or a substantial majority of its positions be converted to flexed positions.

Further, it is the intent of the Legislature that the Office of Children's Services (OCS) aggressively seek to fill future non-flexed Protective Service Specialist (PSS) positions with the highest qualifications. Specifically, OCS should seek to fill 75% or more PSS positions at Level 3 and 25% or fewer at Level 2. It is the Legislature's intent that OCS hire at the PSS 1 level only if it cannot fill positions as directed here. It is also the intent of the Legislature that, if needed to keep supervisor pay competitive, OCS facilitate responsible, fast-track supervisor promotions into higher job classes.

The Legislature directs OCS to report to the Legislature by November 15, 2026 the following information: a) the status of converting PCNs to flexed positions; b) what actions were taken to recruit PSS 3s in and out of state; c) how many employees in each job class were hired, and for each job class, how many hires had a Bachelor's degree in Social Work and how many had a Master's

degree in Social Work; and for those without a degree in Social Work, how many had prior work experience in the field of foster care or social service work with children and families; d) how many employees in each job class possessed Bachelor's or Master's degrees in Social Work; and e) the annual turnover and caseloads for each level of Protective Service Specialist employed by OCS as a caseworker.

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**TO:** HB 263 / HB 265

**OFFERED BY:** Representative Andrew Gray

**FISCAL YEAR:** FY2027

**DEPARTMENT:** Family and Community Services

**APPROPRIATION:** Children's Services

**ALLOCATION:** Children's Services Management

**ADD:**

Total: \$350.0 Gen Fund (code 1004).

IncT FY27-FY29

For a statewide media campaign to recruit foster families.

**POSITIONS:** 0

**EXPLANATION:**

There are about 2,500 children in state custody in Alaska and not enough foster homes available. As a result, an unacceptable number of these children are in psychiatric facilities, homeless shelters, hotels, at OCS offices, and other inappropriate and unsafe placements. These placements put children at substantial risk of harm, and increase the state's exposure to liability. It is imperative that the state actively recruit more foster families to protect children in state custody.

**2026 SESSION OPERATING BUDGET AMENDMENT PROPOSAL**

**OFFERED IN:** The House Finance Subcommittee for the Department of Family and Community Services

**TO:** HB 263 / HB 265

**OFFERED BY:** Representative Mears

**FISCAL YEAR:** FY2027

**DEPARTMENT:** Family and Community Services

**APPROPRIATION:** Children's Services

**ALLOCATION:**

**ADD:**

Intent Language: It is the intent of the legislature that the Office of Children's Services shall demonstrate its efforts to support Kinship Home Placement and comply with Alaska law requiring supervisors to document that a diligent search has been made for relatives and family friends and that if a search has not been completed the supervisor make sure it is completed in the "shortest time feasible." Further, OCS shall report to the Legislature by November 15, 2026 on the rate of family/relative placements, progress in substantially increasing such placements, and its plan to further increase those placements in the future.

**EXPLANATION:**

Ample research demonstrates that living with relatives is better for children in foster care and reduces trauma, helps maintain familial and cultural ties, and promotes intergenerational healing. If family members are not available, placement with family friends or Tribal members is similarly beneficial. This language holds OCS accountable for complying with Alaska law requiring diligent efforts to find relatives and friends for children in state custody.

Note that the reporting deadline of November 15, 2026 aligns with the deadline for the HB 151 annual Workforce and Recruitment Report.

**2026 SESSION OPERATING BUDGET AMENDMENT PROPOSAL**

**OFFERED IN:** The House Finance Subcommittee for Health & Social Services

**TO:** HB 263 / HB 265

**OFFERED BY:** Representative Prax

**FISCAL YEAR:** 2027

**DEPARTMENT:** Family & Community Services

**APPROPRIATION:** Children's Services

**ALLOCATION:** Children's Services Training

**ADD:**

**DELETE:** \$350,000.00, Fund Code 1004, UGF

**POSITIONS:**

**EXPLANATION:** BA Sheet item #5. "Add General Funds to Facilitate In-Person Training for Staff."

The department has not identified how this increment will further the mission of the agency and the results they expect to achieve or how they intend to measure progress toward advancing those results as required by the Executive Budget Act in AS 37.07.020 and AS 37.07.050(a).

**2026 SESSION OPERATING BUDGET AMENDMENT PROPOSAL**

**OFFERED IN:** The House Finance Subcommittee for Health & Social Services

**TO:** HB 263 / HB 265

**OFFERED BY:** Representative Prax

**FISCAL YEAR:** 2027

**DEPARTMENT:** Family & Community Services

**APPROPRIATION:** Children's Services

**ALLOCATION:** Front Line Social Workers

**ADD:**

**DELETE:** \$109,100.00, Fund Code 1002, Fed Rcpts  
\$170,700.00, Fund Code 1003, GF/Match

**POSITIONS:**

**EXPLANATION:** BA Sheet item #8 "GA Community Care Licensing Specialist Classification Study Implementation."

The department has not identified how this increment will further the mission of the agency and the results they expect to achieve or how they intend to measure progress toward advancing those results as required by the Executive Budget Act in AS 37.07.020 and AS 37.07.050(a).

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**OFFERED IN:** The House Finance Subcommittee for Health & Social Services

**TO:** HB 263 / HB 265

**OFFERED BY:** Representative Prax

**FISCAL YEAR:** 2027

**DEPARTMENT:** Family & Community Services

**APPROPRIATION:** Children's Services

**ALLOCATION:** Family Preservation

**ADD:**

**DELETE:** \$1,500,000.00, Fund Code 1004, UGF

**POSITIONS:**

**EXPLANATION:** BA Sheet item #10. "Increase General Funds to Maintain Grants to Child Advocacy Centers."

The department has not identified how this increment will further the mission of the agency and the results they expect to achieve or how they intend to measure progress toward advancing those results as required by the Executive Budget Act in AS 37.07.020 and AS 37.07.050(a).

2026 SESSION OPERATING BUDGET AMENDMENT PROPOSAL

**OFFERED IN:** The House Finance Subcommittee for Health & Social Services

**TO:** HB 263 / HB 265

**OFFERED BY:** Representative Prax

**FISCAL YEAR:** 2027

**DEPARTMENT:** Family & Community Services  
**APPROPRIATION:** Children's Services  
**ALLOCATION:** Children's Services Management

**ADD:**

**DELETE:** \$10,100.00, 1002 Fed Rcpt  
 \$15,400.00, 1003 GF/Match  
 \$300.00, 1004 UGF

**POSITIONS:**

**EXPLANATION:** BA Sheet item #3. This budget item is described as the implementation of an information technology classification study. This is also budget item #2 in the blue pages of our Department of Family and Community Services purple book. You'll see in the fiscal analyst's note that it says,

“Although the study has **not yet been finalized**, the Governor's FY27 budget request includes \$7.9 million in increments across all agencies, including 1.9 million in UGF. The Office of Management and Budget developed **estimated implementation costs** for the IT classification study **based on preliminary information** provided by the Department of Administration. Data supplied by OMB indicate that most IT positions were reclassified upward by one to three salary ranges. **The actual amounts needed to implement the study may need to be adjusted when the study is finalized.**”

The department has not identified how this increment will further the mission of the agency and the results they expect to achieve or how they intend to measure progress toward advancing those results as required by the Executive Budget Act in AS 37.07.020 and AS 37.07.050(a).

2026 SESSION OPERATING BUDGET AMENDMENT PROPOSAL

**OFFERED IN:** The House Finance Subcommittee for Health & Social Services

**TO:** HB 263 / HB 265

**OFFERED BY:** Representative Prax

**FISCAL YEAR:** 2027

**DEPARTMENT:** Family & Community Services

**APPROPRIATION:** Children's Services

**ALLOCATION:** Front Line Social Workers

**ADD:**

**DELETE:** \$6,000.00, 1002 Fed Rcpts  
\$9,400.00, 1005 GF/Prgm

**POSITIONS:**

**EXPLANATION:** BA Sheet item #6. This budget item is described as the implementation of an information technology classification study. This is also budget item #2 in the blue pages of our Department of Family and Community Services purple book. You'll see in the fiscal analyst's note that it says,

“Although the study has **not yet been finalized**, the Governor's FY27 budget request includes \$7.9 million in increments across all agencies, including 1.9 million in UGF. The Office of Management and Budget developed **estimated implementation costs** for the IT classification study **based on preliminary information** provided by the Department of Administration. Data supplied by OMB indicate that most IT positions were reclassified upward by one to three salary ranges. **The actual amounts needed to implement the study may need to be adjusted when the study is finalized.**”

The department has not identified how this increment will further the mission of the agency and the results they expect to achieve or how they intend to measure progress toward advancing those results as required by the Executive Budget Act in AS 37.07.020 and AS 37.07.050(a).

2026 SESSION OPERATING BUDGET AMENDMENT PROPOSAL

**OFFERED IN:** The House Finance Subcommittee for Health & Social Services

**TO:** HB 263 / HB 265

**OFFERED BY:** Representative Prax

**FISCAL YEAR:** 2027

**DEPARTMENT:** Family & Community Services

**APPROPRIATION:** Juvenile Justice

**ALLOCATION:** McLaughlin Youth Center

**ADD:**

**DELETE:** \$9,000.00, 1004 UGF

**POSITIONS:**

**EXPLANATION:** BA Sheet item #14. This budget item is described as the implementation of an information technology classification study. This is also budget item #2 in the blue pages of our Department of Family and Community Services purple book. You'll see in the fiscal analyst's note that it says,

“Although the study has **not yet been finalized**, the Governor's FY27 budget request includes \$7.9 million in increments across all agencies, including 1.9 million in UGF. The Office of Management and Budget developed **estimated implementation costs** for the IT classification study **based on preliminary information** provided by the Department of Administration. Data supplied by OMB indicate that most IT positions were reclassified upward by one to three salary ranges. **The actual amounts needed to implement the study may need to be adjusted when the study is finalized.**”

The department has not identified how this increment will further the mission of the agency and the results they expect to achieve or how they intend to measure progress toward advancing those results as required by the Executive Budget Act in AS 37.07.020 and AS 37.07.050(a).

2026 SESSION OPERATING BUDGET AMENDMENT PROPOSAL

**OFFERED IN:** The House Finance Subcommittee for Health & Social Services

**TO:** HB 263 / HB 265

**OFFERED BY:** Representative Prax

**FISCAL YEAR:** 2027

**DEPARTMENT:** Family & Community Services

**APPROPRIATION:** Juvenile Justice

**ALLOCATION:** Probation Services

**ADD:**

**DELETE:** \$51,700.00, 1004 UGF

**POSITIONS:**

**EXPLANATION:** BA Sheet item #15. This budget item is described as the implementation of an information technology classification study. This is also budget item #2 in the blue pages of our Department of Family and Community Services purple book. You'll see in the fiscal analyst's note that it says,

“Although the study has **not yet been finalized**, the Governor's FY27 budget request includes \$7.9 million in increments across all agencies, including 1.9 million in UGF. The Office of Management and Budget developed **estimated implementation costs** for the IT classification study **based on preliminary information** provided by the Department of Administration. Data supplied by OMB indicate that most IT positions were reclassified upward by one to three salary ranges. **The actual amounts needed to implement the study may need to be adjusted when the study is finalized.**”

The department has not identified how this increment will further the mission of the agency and the results they expect to achieve or how they intend to measure progress toward advancing those results as required by the Executive Budget Act in AS 37.07.020 and AS 37.07.050(a).

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**OFFERED IN:** The House Finance Subcommittee for Health & Social Services

**TO:** HB 263 / HB 265

**OFFERED BY:** Representative Prax

**FISCAL YEAR:** 2027

**DEPARTMENT:** Family & Community Services  
**APPROPRIATION:** Departmental Support Services  
**ALLOCATION:** Information Technology Services

**ADD:**

**DELETE:** \$452,100.00, 1007 I/A Rcpt

**POSITIONS:**

**EXPLANATION:** BA Sheet item #19. This budget item is described as the implementation of an information technology classification study. This is also budget item #2 in the blue pages of our Department of Family and Community Services purple book. You'll see in the fiscal analyst's note that it says,

“Although the study has **not yet been finalized**, the Governor's FY27 budget request includes \$7.9 million in increments across all agencies, including 1.9 million in UGF. The Office of Management and Budget developed **estimated implementation costs** for the IT classification study **based on preliminary information** provided by the Department of Administration. Data supplied by OMB indicate that most IT positions were reclassified upward by one to three salary ranges. **The actual amounts needed to implement the study may need to be adjusted when the study is finalized.**”

The department has not identified how this increment will further the mission of the agency and the results they expect to achieve or how they intend to measure progress toward advancing those results as required by the Executive Budget Act in AS 37.07.020 and AS 37.07.050(a).

**2026 SESSION OPERATING BUDGET AMENDMENT PROPOSAL**

**OFFERED IN:** The House Finance Subcommittee for the Department of Family and Community Services

**TO:** HB 263

**OFFERED BY:**

**FISCAL YEAR:** FY 27

**DEPARTMENT:** Department of Family and Community Services

**APPROPRIATION:** Children's Services

**ALLOCATION:** Front Line Social Workers

**ADD:**

**DELETE:** \$1,762,100 Fed receipts-Fed (fund code 1002)  
\$2,729.600 General Fund-Match (fund code 1003)

**POSITIONS:**

**EXPLANATION:** Reduce funding for OCS personnel services