

CS FOR HOUSE BILL NO. 265(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FOURTH LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

**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)

* **Section 1.** The following appropriation items are for operating expenditures from the general fund or other funds as set out in the fiscal year 2027 budget summary for the operating budget by funding source to the agencies named for the purposes expressed for the fiscal year beginning July 1, 2026, and ending June 30, 2027, unless otherwise indicated.

	Appropriation	General	Other
	Allocations	Items	Funds
	*****	*****	
	***** Department of Administration *****		
	*****	*****	
Legal and Advocacy Services	4,262,318,500	3,894,900	367,423,600
Office of Public Advocacy	2,892,500		
Public Defender Agency	1,370,426,000		
	*****	*****	
	***** Department of Corrections *****		
	*****	*****	
Community Residential Centers	6,970,500	6,970,500	
Community Residential Centers	6,970,500		
Health and Rehabilitation Services	10,349,209,500	9,707,800	641,501,700
Behavioral Health Care	8,705,565,600		
Substance Abuse Treatment Program	1,643,900		
	*****	*****	
	***** Department of Education and Early Development *****		
	*****	*****	
Education Support and Admin Services	512,532,200	377,800	134,154,400
Student and School Achievement	512,532,200		
	*****	*****	
	***** Department of Family and Community Services *****		
	*****	*****	

	Appropriation	General	Other
	Allocations	Items	Funds
1			
2			
3	At the discretion of the Commissioner of the Department of Family and Community Services,		
4	up to \$7,500,000 may be transferred between all appropriations in the Department of Family		
5	and Community Services.		
6	Alaska Psychiatric Institute	22,237,600	22,237,600
7	Alaska Psychiatric	21,575,600	
8	Institute		
9	Facility Rent, Operations,	662,000	
10	and Maintenance		
11	Children's Services	2,226,900	2,226,900
12	Children's Services	69,500	
13	Management		
14	Front Line Social Workers	148,500	
15	Family Preservation	726,000	
16	Foster Care Augmented Rate	500,000	
17	Foster Care Special Need	782,900	
18	Juvenile Justice	1,770,900	1,670,900
19	McLaughlin Youth Center	989,800	
20	Fairbanks Youth Facility	143,300	
21	Bethel Youth Facility	211,800	
22	Probation Services	326,000	
23	Juvenile Justice Health	100,000	
24	Care		
25	Departmental Support Services	<u>8,288,300</u>	<u>7,814,799,000</u> — <u>7,324,700</u>
26	Coordinated Health and	<u>7,807,100</u> 8,288,300	489,300
27	Complex Care		
28	Commissioner's Office	6,900	
29	* * * * *	* * * * *	
30	* * * * * Department of Health * * * * *		
31	* * * * *	* * * * *	

32 At the discretion of the Commissioner of the Department of Health, up to \$15,000,000 may be
33 transferred between all appropriations in the Department of Health.

		Appropriation	General	Other
	Allocations	Items	Funds	Funds
3	Behavioral Health	54,337,000	52,727,400	1,609,600
4	Behavioral Health Treatment	32,904,361		1,100
5	and Recovery Grants			
6	Alcohol Safety Action	1,311,100		
7	Program (ASAP)			
8	Behavioral Health	10,020,720		300
9	Administration			
10	Behavioral Health	5,987,710		300
11	Prevention and Early			
12	Intervention Grants			
13	Alaska Mental Health Board	1,036,300		
14	and Advisory Board on			
15	Alcohol and Drug Abuse			
16	Suicide Prevention Council	626,200		
17	Residential Child Care	2,088,700		1,614,400
18	Behavioral Health Facility	363,000		
19	Operations and Maintenance			
20	Health Care Services	283,000	283,000	
21	Health Facilities Licensing	128,700		
22	and Certification			
23	The amount allocated for Health Facilities Licensing and Certification includes the			
24	unexpended and unobligated balance on June 30, 2026, of general fund program receipts			
25	collected for biennial license fees issued under AS 47.32.050.			
26	Residential Licensing	154,300		
27	Public Health	4,912,133,000	4,516,200	395,616,800
28	Women, Children and Family	2,090,181		000
29	Health			
30	Emergency Programs	700		
31	Chronic Disease Prevention	2,474,604		800
32	and Health Promotion			
33	Bureau of Vital Statistics	74,500		

	Appropriation	General	Other
	Allocations	Funds	Funds
	Items		
1			
2			
3	Public Health Facility	272,000	
4	Operations and Maintenance		
5	Senior and Disabilities Services	12,753,500	10,786,300
6	Senior and Disabilities	1,180,600	
7	Community Based Grants		
8	Early Intervention/Infant	8,184 7,724,500	
9	Learning Programs		
10	Senior and Disabilities	2,150,200 155,900	
11	Services Administration		
12	General Relief/Temporary	740,300	
13	Assisted Living		
14	Commission on Aging	206 271,000	
15	Governor's Council on	249 474,400	
16	Disabilities and Special		
17	Education		
18	Senior and Disabilities	42,500	
19	Services Facility		
20	Operations and Maintenance		
21	Medicaid Services	82,155,800	82,155,800
22	Medicaid Services	82,155,800	
23	<u>It is the intent of the legislature that the Department of Health augment the rates for</u>		
24	<u>adolescent behavioral health treatment services provided by Level 3 residential programs as</u>		
25	<u>certified by the American Society of Addiction Medicine to reflect the additional costs of</u>		
26	<u>caring for youth.</u>		
27	* * * * *	* * * * *	
28	* * * * * Department of Labor and Workforce Development * * * * *		
29	* * * * *	* * * * *	
30	Commissioner and Administrative	25,900	25,900
31	Services		
32	Labor Market Information	25,900	
33	<u>Vocational Rehabilitation</u>	<u>100,000</u>	<u>100,000</u>

	Appropriation	General	Other
	Allocations	Items	Funds
3	<u>Vocational Rehabilitation</u>	100,000	
4	<u>Administration</u>		
5	<u>The amount allocated for Vocational Rehabilitation Administration includes the unexpended</u>		
6	<u>and unobligated balance on June 30, 2026, of receipts from all prior fiscal years collected</u>		
7	<u>under the Department of Labor and Workforce Development's federal indirect cost plan for</u>		
8	<u>expenditures incurred by the Department of Labor and Workforce Development.</u>		
9	*****	*****	
10	***** Department of Law *****		
11	*****	*****	
12	Civil Division	100,100	100,100
13	The amount appropriated by this appropriation includes the unexpended and unobligated		
14	balance on June 30, 2026, of inter-agency receipts collected in the Department of Law's		
15	federally approved cost allocation plan.		
16	Health, Safety & Welfare	100,100	
17	*****	*****	
18	***** Department of Natural Resources *****		
19	*****	*****	
20	Administration & Support Services	5,865,000	5,865,000
21	Mental Health Trust Lands	5,542,400	
22	Administration		
23	Mental Health Trust Lands	322,600 <u>895,800</u>	
24	Facility Operations and		
25	Maintenance		
26	*****	*****	
27	***** Department of Public Safety *****		
28	*****	*****	
29	Alaska State Troopers	5060,000	5060,000
30	Alaska State Trooper	5060,000	
31	Detachments		
32	Alaska Police Standards Council	80,000	80,000
33	The amount appropriated by this appropriation includes the unexpended and unobligated		

	Appropriation	General	Other
	Allocations	Items	Funds
3	balance on June 30, 2026, of the receipts collected under AS 12.25.195(c), AS 12.55.039, AS		
4	28.05.151, and AS 29.25.074 and receipts collected under AS 18.65.220(7).		
5	Alaska Police Standards	80,000	
6	Council		
7	Integrated Victim Assistance	1,617,500	1,617,500
8	Council on Domestic	1,617,500	
9	Violence and Sexual Assault		
10	*****	*****	
11	***** Department of Revenue *****		
12	*****	*****	
13	Alaska Mental Health Trust Authority	6,420,000	787,100
14	Mental Health Trust	<u>5,632,900</u>	<u>931,400</u>
15	Operations		
16	Long Term Care Ombudsman	787,100	
17	Office		
18	Alaska Housing Finance Corporation	200,000	200,000
19	AHFC Operations	200,000	
20	*****	*****	
21	***** University of Alaska *****		
22	*****	*****	
23	University of Alaska	2,675,431,800	805,800
24	Anchorage Campus	<u>2,625,381,800</u>	
25	Troth Yedtha' Campus	50,000	
26	*****	*****	
27	***** Judiciary *****		
28	*****	*****	
29	Alaska Court System	532,634,800	532,800
30	Trial Courts	<u>532,634,800</u>	
31	Therapeutic Courts	4,562,700	158,300
32	Therapeutic Courts	<u>4,562,700</u>	

(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 of
 2 this Act.

3	Funding Source	Amount
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4 **Department of Administration**

5	1037 General Fund / Mental Health	3,894,900
6	1092 Mental Health Trust Authority Authorized Receipts	3,674,231 ,600
7	*** Total Agency Funding ***	4, 262,318 ,500

8 **Department of Corrections**

9	1037 General Fund / Mental Health	9,707,800
10	1092 Mental Health Trust Authority Authorized Receipts	641,501 ,700
11	1246 Recidivism Reduction Fund	6,970,500
12	*** Total Agency Funding ***	17, 320,180 ,000

13 **Department of Education and Early Development**

14	1037 General Fund / Mental Health	377,800
15	1092 Mental Health Trust Authority Authorized Receipts	134,154 ,400
16	*** Total Agency Funding ***	512,532 ,200

17 **Department of Family and Community Services**

18	1037 General Fund / Mental Health	33,460,100 <u>934,400</u>
19	1092 Mental Health Trust Authority Authorized Receipts	589,300
20	*** Total Agency Funding ***	34, 049,400 <u>523,700</u>

21 **Department of Health**

22	1037 General Fund / Mental Health	119,437,300 <u>123,743,000</u>
23	1092 Mental Health Trust Authority Authorized Receipts	3,972,600 <u>4,229,300</u>
24	1180 Alcohol and Other Drug Abuse Treatment & Prevention Fund	20,100,000
25	1246 Recidivism Reduction Fund	4,412,000
26	1254 Marijuana Education and Treatment Fund	6,519,400
27	*** Total Agency Funding ***	154,441,300 <u>159,003,700</u>

28 **Department of Labor and Workforce Development**

29	1092 Mental Health Trust Authority Authorized Receipts	25 <u>125</u> ,900
30	*** Total Agency Funding ***	25 <u>125</u> ,900

31 **Department of Law**

1	1037	General Fund / Mental Health	100,100
2	***	Total Agency Funding ***	100,100
3	Department of Natural Resources		
4	1092	Mental Health Trust Authority Authorized Receipts	<u>5,865,000</u> <u>6,438,200</u>
5	***	Total Agency Funding ***	<u>5,865,000</u> <u>6,438,200</u>
6	Department of Public Safety		
7	1092	Mental Health Trust Authority Authorized Receipts	<u>130</u> <u>140,000</u>
8	1246	Recidivism Reduction Fund	1,617,500
9	***	Total Agency Funding ***	<u>1,747</u> <u>757,500</u>
10	Department of Revenue		
11	1037	General Fund / Mental Health	787,100
12	1092	Mental Health Trust Authority Authorized Receipts	200,000
13	1094	Mental Health Trust Administration	<u>5,632,900</u> <u>931,400</u>
14	***	Total Agency Funding ***	<u>6,620,000</u> <u>918,500</u>
15	University of Alaska		
16	1037	General Fund / Mental Health	805,800
17	1092	Mental Health Trust Authority Authorized Receipts	<u>1,870</u> <u>2,626,000</u>
18	***	Total Agency Funding ***	<u>2,675</u> <u>3,431,800</u>
19	Judiciary		
20	1037	General Fund / Mental Health	<u>4,937,200</u> <u>5,052,700</u>
21	1092	Mental Health Trust Authority Authorized Receipts	<u>158</u> <u>260,300</u>
22	***	Total Agency Funding ***	<u>5,095,500</u> <u>313,000</u>
23	* * * * * Total Budget * * * * *		<u>232,715,200</u> <u>239,643,100</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.

3 Funding Source Amount

4 **Unrestricted General**

5 1037 General Fund / Mental Health 173,508,100178,403,600

6 *** Total Unrestricted General *** 173,508,100178,403,600

7 **Designated General**

8 1180 Alcohol and Other Drug Abuse Treatment & Prevention Fund 20,100,000

9 1246 Recidivism Reduction Fund 13,000,000

10 1254 Marijuana Education and Treatment Fund 6,519,400

11 *** Total Designated General *** 39,619,400

12 **Other Non-Duplicated**

13 1092 Mental Health Trust Authority Authorized Receipts 13,954,80015,688,700

14 1094 Mental Health Trust Administration 5,632,900931,400

15 *** Total Other Non-Duplicated *** 19,587,70021,620,100

16 (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. 5 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	Items	Funds
	*****	*****	
	***** Department of Health *****		
	*****	*****	
9	MH Trust: Deferred Maintenance and	500,000	500,000
10	Accessibility Improvements (HD 1-40)		
11	MH Trust: Home Modification and	1,150,000	1,150,000
12	Upgrades to Retain Housing (HD 1-40)		
13	MH Trust: Person Centered	250,000	250,000
14	Transportation (HD 1-40)		
15	MH Trust: Universal Changing Spaces	250,000	250,000
16	Assistance Fund (HD 1-40)		
17	*****	*****	
18	***** Department of Revenue *****		
19	*****	*****	
20	Alaska Housing Finance Corporation		
21	MH Trust: AHFC Homeless Assistance	5,000,000	4,050,000
22	Program (HD 1-40)		950,000
23	MH Trust: AHFC Beneficiary and Special	1,950,000	1,750,000
24	Needs Housing (HD 1-40)		200,000
25	MH Trust: AHFC Rural Housing	135,000	135,000
26	Coordinator - Ketchikan (HD 1-40)		
27	*****	*****	
28	***** Department of Transportation and Public Facilities *****		
29	*****	*****	
30	MH Trust: Coordinated Transportation	700,000	700,000
31	and Vehicles (HD 1-40)		

1		Appropriation	General	Other
2		Allocations	Items	Funds
3		(SECTION 5 OF THIS ACT BEGINS ON THE NEXT PAGE)		

1 * **Sec. 5.** The following sets out the funding by agency for the appropriations made in sec. 4 of
2 this Act.

3	Funding Source	Amount
4	Department of Health	
5	1037 General Fund / Mental Health	1,150,000
6	1092 Mental Health Trust Authority Authorized Receipts	1,000,000
7	*** Total Agency Funding ***	2,150,000
8	Department of Revenue	
9	1092 Mental Health Trust Authority Authorized Receipts	1,285,000
10	1139 Alaska Housing Finance Corporation Dividend	5,800,000
11	*** Total Agency Funding ***	7,085,000
12	Department of Transportation and Public Facilities	
13	1037 General Fund / Mental Health	700,000
14	*** Total Agency Funding ***	700,000
15	* * * * * Total Budget * * * * *	9,935,000

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

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

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

11 (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. 8. 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. 9. SALARY AND BENEFIT ADJUSTMENTS.** (a) The appropriations made in sec.
11 1 of this Act include amounts for salary and benefit adjustments for public officials, officers,
12 and employees of the executive branch, Alaska Court System employees, employees of the
13 legislature, and legislators and to implement the monetary terms for the fiscal year ending
14 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. 10.** This Act takes effect July 1, 2026.