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**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	Funds
	* * * * *	* * * * *		
	<b>* * * * * Department of Administration * * * * *</b>			
	* * * * *	* * * * *		
<b>Legal and Advocacy Services</b>		<b>4,318,500</b>	<b>3,894,900</b>	<b>423,600</b>
Office of Public Advocacy	2,892,500			
Public Defender Agency	1,426,000			
	* * * * *	* * * * *		
	<b>* * * * * Department of Corrections * * * * *</b>			
	* * * * *	* * * * *		
<b>Community Residential Centers</b>		<b>6,970,500</b>	<b>6,970,500</b>	
Community Residential Centers	6,970,500			
<b>Health and Rehabilitation Services</b>		<b>10,209,500</b>	<b>9,707,800</b>	<b>501,700</b>
Behavioral Health Care	8,565,600			
Substance Abuse Treatment Program	1,643,900			
	* * * * *	* * * * *		
	<b>* * * * * Department of Education and Early Development * * * * *</b>			
	* * * * *	* * * * *		
<b>Education Support and Admin Services</b>		<b>532,200</b>	<b>377,800</b>	<b>154,400</b>
Student and School Achievement	532,200			
	* * * * *	* * * * *		
	<b>* * * * * Department of Family and Community Services * * * * *</b>			
	* * * * *	* * * * *		

		<b>Appropriation</b>	<b>General</b>	<b>Other</b>
		<b>Allocations</b>	<b>Funds</b>	<b>Funds</b>
		<b>Items</b>		
1				
2				
3	<b>Alaska Psychiatric Institute</b>	<b>22,237,600</b>	<b>22,237,600</b>	
4	Alaska Psychiatric	21,575,600		
5	Institute			
6	Facility Rent, Operations,	662,000		
7	and Maintenance			
8	<b>Children's Services</b>	<b>2,226,900</b>	<b>2,226,900</b>	
9	Children's Services	69,500		
10	Management			
11	Front Line Social Workers	148,500		
12	Family Preservation	726,000		
13	Foster Care Augmented Rate	500,000		
14	Foster Care Special Need	782,900		
15	<b>Juvenile Justice</b>	<b>1,770,900</b>	<b>1,670,900</b>	<b>100,000</b>
16	McLaughlin Youth Center	989,800		
17	Fairbanks Youth Facility	143,300		
18	Bethel Youth Facility	211,800		
19	Probation Services	326,000		
20	Juvenile Justice Health	100,000		
21	Care			
22	<b>Departmental Support Services</b>	<b>8,288,300</b>	<b>7,799,000</b>	<b>489,300</b>
23	Coordinated Health and	8,288,300		
24	Complex Care			
25		* * * * *	* * * * *	
26		* * * * *	<b>Department of Health</b>	* * * * *
27		* * * * *	* * * * *	
28	<b>Behavioral Health</b>	<b>58,842,700</b>	<b>57,033,100</b>	<b>1,809,600</b>
29	Behavioral Health Treatment	36,461,100		
30	and Recovery Grants			
31	Alcohol Safety Action	1,311,100		
32	Program (ASAP)			
33	Behavioral Health	10,720,300		

		<b>Appropriation</b>	<b>General</b>	<b>Other</b>
		<b>Allocations</b>	<b>Funds</b>	<b>Funds</b>
		<b>Items</b>		
1	Administration			
2	Behavioral Health	6,710,300		
3	Prevention and Early			
4	Intervention Grants			
5	Alaska Mental Health Board	1,036,300		
6	and Advisory Board on			
7	Alcohol and Drug Abuse			
8	Suicide Prevention Council	626,200		
9	Residential Child Care	1,614,400		
10	Behavioral Health Facility	363,000		
11	Operations and Maintenance			
12	<b>Health Care Services</b>		<b>283,000</b>	<b>283,000</b>
13	Health Facilities Licensing	128,700		
14	and Certification			
15	The amount allocated for Health Facilities Licensing and Certification includes the			
16	unexpended and unobligated balance on June 30, 2026, of general fund program receipts			
17	collected for biennial license fees issued under AS 47.32.050.			
18	Residential Licensing	154,300		
19	<b>Public Health</b>		<b>5,133,000</b>	<b>4,516,200</b>
20	Women, Children and Family	2,181,000		<b>616,800</b>
21	Health			
22	Emergency Programs	700		
23	Chronic Disease Prevention	2,604,800		
24	and Health Promotion			
25	Bureau of Vital Statistics	74,500		
26	Public Health Facility	272,000		
27	Operations and Maintenance			
28	<b>Senior and Disabilities Services</b>		<b>18,309,200</b>	<b>16,506,300</b>
29	Senior and Disabilities	1,180,600		<b>1,802,900</b>
30	Community Based Grants			
31	Early Intervention/Infant	13,444,500		
32				
33				



	Appropriation	General	Other
	Allocations	Items	Funds
	*****	*****	
	***** Department of Law *****		
	*****	*****	
6	<b>Civil Division</b>	<b>100,100</b>	<b>100,100</b>
7	The amount appropriated by this appropriation includes the unexpended and unobligated		
8	balance on June 30, 2026, of inter-agency receipts collected in the Department of Law's		
9	federally approved cost allocation plan.		
10	Health, Safety & Welfare	100,100	
11	*****	*****	
12	***** Department of Natural Resources *****		
13	*****	*****	
14	<b>Administration &amp; Support Services</b>	<b>6,438,200</b>	<b>6,438,200</b>
15	Mental Health Trust Lands	5,542,400	
16	Administration		
17	Mental Health Trust Lands	895,800	
18	Facility Operations and		
19	Maintenance		
20	*****	*****	
21	***** Department of Public Safety *****		
22	*****	*****	
23	<b>Alaska State Troopers</b>	<b>60,000</b>	<b>60,000</b>
24	Alaska State Trooper	60,000	
25	Detachments		
26	<b>Alaska Police Standards Council</b>	<b>80,000</b>	<b>80,000</b>
27	The amount appropriated by this appropriation includes the unexpended and unobligated		
28	balance on June 30, 2026, of the receipts collected under AS 12.25.195(c), AS 12.55.039, AS		
29	28.05.151, and AS 29.25.074 and receipts collected under AS 18.65.220(7).		
30	Alaska Police Standards	80,000	
31	Council		
32	<b>Integrated Victim Assistance</b>	<b>1,617,500</b>	<b>1,617,500</b>
33	Council on Domestic	1,617,500	

	<b>Appropriation</b>	<b>General</b>	<b>Other</b>
	<b>Allocations</b>	<b>Funds</b>	<b>Funds</b>
	<b>Items</b>		
1			
2			
3	Violence and Sexual Assault		
4	*****	*****	
5	***** <b>Department of Revenue</b> *****		
6	*****	*****	
7	<b>Alaska Mental Health Trust Authority</b>	<b>6,718,500</b>	<b>787,100</b> <b>5,931,400</b>
8	Mental Health Trust	5,931,400	
9	Operations		
10	Long Term Care Ombudsman	787,100	
11	Office		
12	<b>Alaska Housing Finance Corporation</b>	<b>200,000</b>	<b>200,000</b>
13	AHFC Operations	200,000	
14	*****	*****	
15	***** <b>University of Alaska</b> *****		
16	*****	*****	
17	<b>University of Alaska</b>	<b>3,431,800</b>	<b>805,800</b> <b>2,626,000</b>
18	Anchorage Campus	3,381,800	
19	Troth Yeddha' Campus	50,000	
20	***** *****		
21	***** <b>Judiciary</b> *****		
22	***** *****		
23	<b>Alaska Court System</b>	<b>634,800</b>	<b>532,800</b> <b>102,000</b>
24	Trial Courts	634,800	
25	<b>Therapeutic Courts</b>	<b>4,678,200</b>	<b>4,519,900</b> <b>158,300</b>
26	Therapeutic Courts	4,678,200	
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 of  
2 this Act.

3	Funding Source	Amount
4	<b>Department of Administration</b>	
5	1037 General Fund / Mental Health	3,894,900
6	1092 Mental Health Trust Authority Authorized Receipts	423,600
7	*** Total Agency Funding ***	4,318,500
8	<b>Department of Corrections</b>	
9	1037 General Fund / Mental Health	9,707,800
10	1092 Mental Health Trust Authority Authorized Receipts	501,700
11	1246 Recidivism Reduction Fund	6,970,500
12	*** Total Agency Funding ***	17,180,000
13	<b>Department of Education and Early Development</b>	
14	1037 General Fund / Mental Health	377,800
15	1092 Mental Health Trust Authority Authorized Receipts	154,400
16	*** Total Agency Funding ***	532,200
17	<b>Department of Family and Community Services</b>	
18	1037 General Fund / Mental Health	33,934,400
19	1092 Mental Health Trust Authority Authorized Receipts	589,300
20	*** Total Agency Funding ***	34,523,700
21	<b>Department of Health</b>	
22	1037 General Fund / Mental Health	129,463,000
23	1092 Mental Health Trust Authority Authorized Receipts	4,229,300
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 ***	164,723,700
28	<b>Department of Labor and Workforce Development</b>	
29	1092 Mental Health Trust Authority Authorized Receipts	125,900
30	*** Total Agency Funding ***	125,900
31	<b>Department of Law</b>	

1	1037	General Fund / Mental Health	100,100
2	***	Total Agency Funding ***	100,100
3	<b>Department of Natural Resources</b>		
4	1092	Mental Health Trust Authority Authorized Receipts	6,438,200
5	***	Total Agency Funding ***	6,438,200
6	<b>Department of Public Safety</b>		
7	1092	Mental Health Trust Authority Authorized Receipts	140,000
8	1246	Recidivism Reduction Fund	1,617,500
9	***	Total Agency Funding ***	1,757,500
10	<b>Department of Revenue</b>		
11	1037	General Fund / Mental Health	787,100
12	1092	Mental Health Trust Authority Authorized Receipts	200,000
13	1094	Mental Health Trust Administration	5,931,400
14	***	Total Agency Funding ***	6,918,500
15	<b>University of Alaska</b>		
16	1037	General Fund / Mental Health	805,800
17	1092	Mental Health Trust Authority Authorized Receipts	2,626,000
18	***	Total Agency Funding ***	3,431,800
19	<b>Judiciary</b>		
20	1037	General Fund / Mental Health	5,052,700
21	1092	Mental Health Trust Authority Authorized Receipts	260,300
22	***	Total Agency Funding ***	5,313,000
23	<b>* * * * * Total Budget * * * * *</b>		<b>245,363,100</b>

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	<b>Unrestricted General</b>	
5	1037 General Fund / Mental Health	184,123,600
6	*** Total Unrestricted General ***	184,123,600
7	<b>Designated General</b>	
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	<b>Other Non-Duplicated</b>	
13	1092 Mental Health Trust Authority Authorized Receipts	15,688,700
14	1094 Mental Health Trust Administration	5,931,400
15	*** Total Other Non-Duplicated ***	21,620,100

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
	*****	*****	
	***** <b>Department of Health</b> *****		
	*****	*****	
MH Trust: Deferred Maintenance and Accessibility Improvements (HD 1-40)	500,000		500,000
MH Trust: Home Modification and Upgrades to Retain Housing (HD 1-40)	1,150,000	1,150,000	
MH Trust: Person Centered Transportation (HD 1-40)	250,000		250,000
MH Trust: Universal Changing Spaces Assistance Fund (HD 1-40)	250,000		250,000
	*****	*****	
	***** <b>Department of Revenue</b> *****		
	*****	*****	
<b>Alaska Housing Finance Corporation</b>			
MH Trust: AHFC Homeless Assistance Program (HD 1-40)	5,000,000	4,050,000	950,000
MH Trust: AHFC Beneficiary and Special Needs Housing (HD 1-40)	1,950,000	1,750,000	200,000
MH Trust: AHFC Rural Housing Coordinator - Ketchikan (HD 1-40)	135,000		135,000
	*****	*****	
	***** <b>Department of Transportation and Public Facilities</b> *****		
	*****	*****	
MH Trust: Coordinated Transportation and Vehicles (HD 1-40)	700,000	700,000	

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

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	<b>Department of Health</b>	
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	<b>Department of Revenue</b>	
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	<b>Department of Transportation and Public Facilities</b>	
13	1037 General Fund / Mental Health	700,000
14	*** Total Agency Funding ***	700,000
15	<b>* * * * * Total Budget * * * * *</b>	<b>9,935,000</b>

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	<b>Unrestricted General</b>	
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	<b>Other Non-Duplicated</b>	
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 (10) Alaska Correctional Officers Association, representing the correctional  
31 officers unit.

1 (b) The appropriations made to the University of Alaska in sec. 1 of this Act include  
2 amounts for salary and benefit adjustments to implement the monetary terms for the fiscal  
3 year ending June 30, 2027, of the following collective bargaining agreements:

4 (1) Alaska Graduate Workers Association/UAW;

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

7 (3) United Academic - Adjuncts - American Association of University  
8 Professors, American Federation of Teachers;

9 (4) Alaska Higher Education Crafts and Trades Employees, Local 6070;

10 (5) Fairbanks Firefighters Union, IAFF Local 1324.

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

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

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

26 \* **Sec. 10.** This Act takes effect July 1, 2026.