

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)**

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

		Appropriation	General	Other
		Allocations	Items	Funds
5				
6				
7		* * * * *	* * * * *	
8		* * * * * Department of Administration * * * * *		
9		* * * * *	* * * * *	
10	Legal and Advocacy Services	4,262,500	3,894,900	367,600
11	Office of Public Advocacy	2,892,500		
12	Public Defender Agency	1,370,000		
13		* * * * *	* * * * *	
14		* * * * * Department of Corrections * * * * *		
15		* * * * *	* * * * *	
16	Community Residential Centers	6,970,500	6,970,500	
17	Community Residential	6,970,500		
18	Centers			
19	Health and Rehabilitation Services	10,349,500	9,707,800	641,700
20	Behavioral Health Care	8,705,600		
21	Substance Abuse Treatment	1,643,900		
22	Program			
23		* * * * *	* * * * *	
24		* * * * * Department of Education and Early Development * * * * *		
25		* * * * *	* * * * *	
26	Education Support and Admin Services	512,200	377,800	134,400
27	Student and School	512,200		
28	Achievement			
29		* * * * *	* * * * *	
30		* * * * * Department of Family and Community Services * * * * *		
31		* * * * *	* * * * *	

		Appropriation	General	Other
		Allocations	Items	Funds
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.				
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		7,814,000	7,324,700
26	Coordinated Health and	7,807,100		
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 transferred between all appropriations in the Department of Health.			
33				

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

		Appropriation	General	Other
		Allocations	Items	Funds
1	Public Health Facility	272,000		
2	Operations and Maintenance			
3	Senior and Disabilities Services	12,753,500	10,786,300	1,967,200
4	Senior and Disabilities	1,180,600		
5	Community Based Grants			
6	Early Intervention/Infant	8,184,500		
7	Learning Programs			
8	Senior and Disabilities	2,150,200		
9	Services Administration			
10	General Relief/Temporary	740,300		
11	Assisted Living			
12	Commission on Aging	206,000		
13	Governor's Council on	249,400		
14	Disabilities and Special			
15	Education			
16	Senior and Disabilities	42,500		
17	Services Facility			
18	Operations and Maintenance			
19	Medicaid Services	82,155,800	82,155,800	
20	Medicaid Services	82,155,800		
21		* * * * *		* * * * *
22				
23				
24	* * * * * Department of Labor and Workforce Development * * * * *			
25				
26	Commissioner and Administrative	25,900		25,900
27	Services			
28	Labor Market Information	25,900		
29		* * * * *		* * * * *
30				
31				
32	Civil Division	100,100	100,100	
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 inter-agency receipts collected in the Department of Law's			
4	federally approved cost allocation plan.			
5	Health, Safety & Welfare	100,100		
6		* * * * *	* * * * *	
7		* * * * * Department of Natural Resources * * * * *		
8		* * * * *	* * * * *	
9	Administration & Support Services		5,865,000	5,865,000
10	Mental Health Trust Lands	5,542,400		
11	Administration			
12	Mental Health Trust Lands	322,600		
13	Facility Operations and			
14	Maintenance			
15		* * * * *	* * * * *	
16		* * * * * Department of Public Safety * * * * *		
17		* * * * *	* * * * *	
18	Alaska State Troopers		50,000	50,000
19	Alaska State Trooper	50,000		
20	Detachments			
21	Alaska Police Standards Council		80,000	80,000
22	The amount appropriated by this appropriation includes the unexpended and unobligated			
23	balance on June 30, 2026, of the receipts collected under AS 12.25.195(c), AS 12.55.039, AS			
24	28.05.151, and AS 29.25.074 and receipts collected under AS 18.65.220(7).			
25	Alaska Police Standards	80,000		
26	Council			
27	Integrated Victim Assistance		1,617,500	1,617,500
28	Council on Domestic	1,617,500		
29	Violence and Sexual Assault			
30		* * * * *	* * * * *	
31		* * * * * Department of Revenue * * * * *		
32		* * * * *	* * * * *	
33	Alaska Mental Health Trust Authority		6,420,000	787,100
				5,632,900

		Appropriation	General	Other
		Allocations	Items	Funds
1	Mental Health Trust	5,632,900		
2	Operations			
3	Long Term Care Ombudsman	787,100		
4	Office			
5	Alaska Housing Finance Corporation	200,000		200,000
6	AHFC Operations	200,000		
7		* * * * *	* * * * *	
8				
9				
10		* * * * * University of Alaska * * * * *		
11			* * * * *	
12	University of Alaska	2,675,800	805,800	1,870,000
13	Anchorage Campus	2,625,800		
14	Troth Yeddha' Campus	50,000		
15		* * * * * * * * *		
16		* * * * * Judiciary * * * * *		
17		* * * * * * * * *		
18	Alaska Court System	532,800	532,800	
19	Trial Courts	532,800		
20	Therapeutic Courts	4,562,700	4,404,400	158,300
21	Therapeutic Courts	4,562,700		
22	(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.

	Funding Source	Amount
Department of Administration		
5	1037 General Fund / Mental Health	3,894,900
6	1092 Mental Health Trust Authority Authorized Receipts	367,600
7	*** Total Agency Funding ***	4,262,500
Department of Corrections		
9	1037 General Fund / Mental Health	9,707,800
10	1092 Mental Health Trust Authority Authorized Receipts	641,700
11	1246 Recidivism Reduction Fund	6,970,500
12	*** Total Agency Funding ***	17,320,000
Department of Education and Early Development		
14	1037 General Fund / Mental Health	377,800
15	1092 Mental Health Trust Authority Authorized Receipts	134,400
16	*** Total Agency Funding ***	512,200
Department of Family and Community Services		
18	1037 General Fund / Mental Health	33,460,100
19	1092 Mental Health Trust Authority Authorized Receipts	589,300
20	*** Total Agency Funding ***	34,049,400
Department of Health		
22	1037 General Fund / Mental Health	119,437,300
23	1092 Mental Health Trust Authority Authorized Receipts	3,972,600
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
Department of Labor and Workforce Development		
29	1092 Mental Health Trust Authority Authorized Receipts	25,900
30	*** Total Agency Funding ***	25,900
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	5,865,000	
5	*** Total Agency Funding ***		5,865,000	
6	Department of Public Safety			
7	1092	Mental Health Trust Authority Authorized Receipts	130,000	
8	1246	Recidivism Reduction Fund	1,617,500	
9	*** Total Agency Funding ***		1,747,500	
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	5,632,900	
14	*** Total Agency Funding ***		6,620,000	
15	University of Alaska			
16	1037	General Fund / Mental Health	805,800	
17	1092	Mental Health Trust Authority Authorized Receipts	1,870,000	
18	*** Total Agency Funding ***		2,675,800	
19	Judiciary			
20	1037	General Fund / Mental Health	4,937,200	
21	1092	Mental Health Trust Authority Authorized Receipts	158,300	
22	*** Total Agency Funding ***		5,095,500	
23	* * * * * Total Budget * * * * *			232,715,200
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.

4 Unrestricted General

5 1037 General Fund / Mental Health 173,508,100
6 *** Total Unrestricted General *** 173,508,100

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	13,954,800
14	1094	Mental Health Trust Administration	5,632,900
15		*** Total Other Non-Duplicated ***	19,587,700

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

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. 5 of this Act by funding source to the agencies named for
3 the purposes expressed. They lapse under AS 37.25.020, unless otherwise noted.

4		Appropriation	General	Other
5	Allocations	Items	Funds	Funds
6	* * * * *	* * * * *		

* * * * * Department of Health * * * * *

8	* * * * *	* * * * *	
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)		

* * * * * **Department of Revenue** * * * * *

19		* * * * *	* * * * *	
20	Alaska Housing Finance Corporation			
21	MH Trust: AHFC Homeless Assistance	5,000,000	4,050,000	950,000
22	Program (HD 1-40)			
23	MH Trust: AHFC Beneficiary and Special	1,950,000	1,750,000	200,000
24	Needs Housing (HD 1-40)			
25	MH Trust: AHFC Rural Housing	135,000		135,000
26	Coordinator - Ketchikan (HD 1-40)			

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

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.

4 Unrestricted General

5 1037 General Fund / Mental Health 1,850,000

6 1139 Alaska Housing Finance Corporation Dividend 5,800,000

8 Other Non-Duplicated

9 1092 Mental Health Trust Authority Authorized Receipts 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 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.