

**CS FOR HOUSE BILL NO. 267(FIN)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-EIGHTH LEGISLATURE - SECOND SESSION

**BY THE HOUSE FINANCE COMMITTEE**

**Offered: 3/12/14**

**Referred: Today's Calendar**

**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 section 2 of this Act to the agencies named for the  
 3 purposes expressed for the fiscal year beginning July 1, 2014 and ending June 30, 2015,  
 4 unless otherwise indicated. A department-wide, agency-wide, or branch-wide unallocated  
 5 reduction set out in this section may be allocated among the appropriations made in this  
 6 section to that department, agency, or branch.

	Appropriation	General	Other
	Allocations	Items	Funds
	*****	*****	*****
***** <b>Department of Administration</b> *****			
	*****	*****	
<b>Legal and Advocacy Services</b>		<b>2,224,600</b>	<b>2,070,800</b>
Office of Public Advocacy	1,908,300		
Public Defender Agency	316,300		
	*****	*****	
***** <b>Department of Corrections</b> *****			
	*****	*****	
<b>Inmate Health Care</b>		<b>6,500,400</b>	<b>6,024,600</b>
Behavioral Health Care	6,500,400		
<b>Offender Habilitation</b>		<b>1,611,500</b>	<b>1,611,500</b>
Substance Abuse Treatment	1,611,500		
Program			
	*****	*****	
***** <b>Department of Education and Early Development</b> *****			
	*****	*****	
<b>Teaching and Learning Support</b>		<b>477,800</b>	<b>377,800</b>
Student and School	477,800		
Achievement			
	*****	*****	
***** <b>Department of Health and Social Services</b> *****			
	*****	*****	

	<b>Appropriation</b>	<b>General</b>	<b>Other</b>
	<b>Allocations</b>	<b>Items</b>	<b>Funds</b>
	<b>Funds</b>	<b>Funds</b>	<b>Funds</b>
At the discretion of the Commissioner of the Department of Health and Social Services, up to \$50,000,000 may be transferred between appropriations in the Department of Health and Social Services.			
It is the intent of the legislature that the Department of Health and Social Services submit a report of transfers between appropriations that occurred in the first half of FY2015 by January 30, 2015, and a report of transfers in the second half of FY2015, by September 1, 2015, to the House and Senate Finance Committees and the Legislative Finance Division.			
It is the intent of the legislature that the department find efficiencies, and use savings from those efficiencies, to implement priorities of the department. These priorities may include implementing the 2012 Office of Children's Services Workload Study recommendations.			
<b>Alaska Pioneer Homes</b>	<b>15,794,700</b>		<b>15,794,700</b>
It is the intent of the legislature that the department submit a report to the legislature by January 22, 2015, outlining statutory and regulatory changes that need to occur to ensure that the Alaska Pioneer Homes maximize Medicaid funding.			
Alaska Pioneer Homes	64,200		
Management			
Pioneer Homes	15,730,500		
The amount allocated for Pioneer Homes includes the unexpended and unobligated balance on June 30, 2014, of the Department of Health and Social Services, Pioneer Homes care and support receipts under AS 47.55.030.			
<b>Behavioral Health</b>		<b>84,777,500</b>	<b>82,963,100</b>
AK Fetal Alcohol Syndrome	359,500		
Program			
Alcohol Safety Action	1,005,800		
Program (ASAP)			
Behavioral Health Grants	22,310,900		
Behavioral Health	5,756,500		
Administration			
Community Action Prevention	1,538,200		
& Intervention Grants			
Rural Services and Suicide	2,323,700		

		<b>Appropriation</b>	<b>General</b>	<b>Other</b>
		<b>Allocations</b>	<b>Funds</b>	<b>Funds</b>
		<b>Items</b>		
1				
2				
3	Prevention			
4	Psychiatric Emergency	5,655,100		
5	Services			
6	Services to the Seriously	16,968,600		
7	Mentally Ill			
8	Designated Evaluation and	3,390,700		
9	Treatment			
10	Services for Severely	13,942,600		
11	Emotionally Disturbed Youth			
12	Alaska Psychiatric	6,685,300		
13	Institute			
14	Alaska Mental Health Board	1,000,000		
15	and Advisory Board on			
16	Alcohol and Drug Abuse			
17	Suicide Prevention Council	602,500		
18	Residential Child Care	3,238,100		
19	<b>Children's Services</b>		<b>10,245,400</b>	<b>10,065,400</b>
20	Children's Services	69,500		
21	Management			
22	Front Line Social Workers	148,500		
23	Family Preservation	726,000		
24	Foster Care Augmented Rate	500,000		
25	Foster Care Special Need	747,900		
26	Infant Learning Program	8,053,500		
27	Grants			
28	<b>Health Care Services</b>		<b>128,400</b>	<b>128,400</b>
29	Residential Licensing	128,400		
30	<b>Juvenile Justice</b>		<b>1,501,100</b>	<b>1,232,400</b>
31	McLaughlin Youth Center	721,500		
32	Fairbanks Youth Facility	114,400		
33	Bethel Youth Facility	63,000		

		<b>Appropriation</b>	<b>General</b>	<b>Other</b>
		<b>Allocations</b>	<b>Items</b>	<b>Funds</b>
			<b>Funds</b>	<b>Funds</b>
1				
2				
3	Probation Services	602,200		
4	<b>Public Assistance</b>		<b>13,200</b>	<b>13,200</b>
5	Public Assistance	13,200		
6	Administration			
7	<b>Public Health</b>		<b>1,764,900</b>	<b>1,449,900</b>
8	Health Planning and Systems	801,600		
9	Development			
10	Nursing	98,200		
11	Women, Children and Family	865,100		
12	Health			
13	<b>Senior and Disabilities Services</b>		<b>17,380,700</b>	<b>16,011,900</b>
14	Senior and Disabilities	3,225,000		
15	Services Administration			
16	General Relief/Temporary	740,300		
17	Assisted Living			
18	Senior Community Based	4,266,600		
19	Grants			
20	Community Developmental	8,082,600		
21	Disabilities Grants			
22	Commission on Aging	146,400		
23	Governor's Council on	919,800		
24	Disabilities and Special			
25	Education			
26	<b>Departmental Support Services</b>		<b>459,800</b>	<b>459,800</b>
27	Commissioner's Office	109,800		
28	HSS State Facilities Rent	350,000		
29	<b>Medicaid Services</b>		<b>73,985,500</b>	<b>73,985,500</b>

30 No money appropriated in this appropriation may be expended for an abortion that is not a  
31 mandatory service required under AS 47.07.030(a). The money appropriated for Health and  
32 Social Services may be expended only for mandatory services required under Title XIX of the  
33 Social Security Act and for optional services offered by the state under the state plan for

	<b>Appropriation</b>	<b>General</b>	<b>Other</b>
	<b>Allocations</b>	<b>Items</b>	<b>Funds</b>
			<b>Funds</b>
1			
2			
3	medical assistance that has been approved by the United States Department of Health and		
4	Human Services.		
5	Behavioral Health Medicaid	72,006,300	
6	Services		
7	Children's Medicaid	1,979,200	
8	Services		
9	*****	*****	
10	***** <b>Department of Labor and Workforce Development</b> *****		
11	*****	*****	
12	<b>Vocational Rehabilitation</b>	<b>100,000</b>	<b>100,000</b>
13	Special Projects	100,000	
14	*****	*****	
15	***** <b>Department of Law</b> *****		
16	*****	*****	
17	<b>Criminal Division</b>	<b>15,000</b>	<b>15,000</b>
18	Third Judicial District:	15,000	
19	Anchorage		
20	<b>Civil Division</b>	<b>97,000</b>	<b>97,000</b>
21	Human Services	97,000	
22	*****	*****	
23	***** <b>Department of Natural Resources</b> *****		
24	*****	*****	
25	<b>Administration &amp; Support Services</b>	<b>4,071,400</b>	<b>4,071,400</b>
26	Mental Health Trust Lands	4,071,400	
27	Administration		
28	*****	*****	
29	***** <b>Department of Revenue</b> *****		
30	*****	*****	
31	<b>Alaska Mental Health Trust Authority</b>	<b>3,839,200</b>	<b>412,500</b>
32			<b>3,426,700</b>

32 It is the intent of the legislature that the Alaska Mental Health Trust assess the potential  
33 impact of expanded broadband on long term general fund operating costs by looking at the



1	<b>Appropriation</b>	<b>General</b>	<b>Other</b>
2	<b>Allocations</b>	<b>Items</b>	<b>Funds</b>
3		<b>Funds</b>	<b>Funds</b>
4	buildings, and sell, lease, or repurpose buildings for maximum utilization.		
5	Anchorage Campus	2,470,800	
6	Fairbanks Campus	50,000	
7	*****	*****	
8	***** <b>Alaska Court System</b> *****		
9	*****	*****	
10	<b>Alaska Court System</b>	<b>227,000</b>	<b>227,000</b>
11	Trial Courts	227,000	
12	<b>Therapeutic Courts</b>	<b>3,453,900</b>	<b>2,993,600</b>
13	Therapeutic Courts	3,453,900	<b>460,300</b>
	(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	2,070,800
6	1092 Mental Health Trust Authority Authorized Receipts	153,800
7	*** Total Agency Funding ***	2,224,600
8	<b>Department of Corrections</b>	
9	1037 General Fund / Mental Health	7,636,100
10	1092 Mental Health Trust Authority Authorized Receipts	475,800
11	*** Total Agency Funding ***	8,111,900
12	<b>Department of Education and Early Development</b>	
13	1037 General Fund / Mental Health	377,800
14	1092 Mental Health Trust Authority Authorized Receipts	100,000
15	*** Total Agency Funding ***	477,800
16	<b>Department of Health and Social Services</b>	
17	1037 General Fund / Mental Health	182,479,800
18	1092 Mental Health Trust Authority Authorized Receipts	3,946,900
19	1180 Alcohol and Other Drug Abuse Treatment & Prevention Fund	19,624,500
20	*** Total Agency Funding ***	206,051,200
21	<b>Department of Labor and Workforce Development</b>	
22	1037 General Fund / Mental Health	100,000
23	*** Total Agency Funding ***	100,000
24	<b>Department of Law</b>	
25	1037 General Fund / Mental Health	97,000
26	1092 Mental Health Trust Authority Authorized Receipts	15,000
27	*** Total Agency Funding ***	112,000
28	<b>Department of Natural Resources</b>	
29	1092 Mental Health Trust Authority Authorized Receipts	4,071,400
30	*** Total Agency Funding ***	4,071,400
31	<b>Department of Revenue</b>	

1	1037	General Fund / Mental Health	412,500
2	1094	Mental Health Trust Administration	3,426,700
3	*** Total Agency Funding ***		3,839,200
4	<b>University of Alaska</b>		
5	1037	General Fund / Mental Health	655,800
6	1092	Mental Health Trust Authority Authorized Receipts	1,865,000
7	*** Total Agency Funding ***		2,520,800
8	<b>Alaska Court System</b>		
9	1037	General Fund / Mental Health	2,702,600
10	1092	Mental Health Trust Authority Authorized Receipts	460,300
11	1180	Alcohol and Other Drug Abuse Treatment & Prevention Fund	518,000
12	*** Total Agency Funding ***		3,680,900
13	<b>***** Total Budget *****</b>		<b>231,189,800</b>
14	(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	196,532,400
6	*** Total Unrestricted General ***	196,532,400
7	<b>Designated General</b>	
8	1180 Alcohol and Other Drug Abuse Treatment & Prevention Fund	20,142,500
9	*** Total Designated General ***	20,142,500
10	<b>Other Non-Duplicated</b>	
11	1092 Mental Health Trust Authority Authorized Receipts	11,088,200
12	1094 Mental Health Trust Administration	3,426,700
13	*** Total Other Non-Duplicated ***	14,514,900

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

1 \* **Sec. 4.** The following appropriation items are for capital projects and grants from the  
 2 general fund or other funds as set out in section 5 of this Act by funding source to the  
 3 agencies named for the purposes expressed and lapse under AS 37.25.020, unless otherwise  
 4 noted.

	Appropriation	General	Other
	Allocations	Items	Funds
	*****	*****	
	***** <b>Department of Health and Social Services</b> *****		
	*****	*****	
10	MH Home Modification and Upgrades to	1,050,000	750,000
11	Retain Housing (HD 1-40)		300,000
12	*****	*****	
13	***** <b>Department of Revenue</b> *****		
14	*****	*****	
15	<b>Alaska Housing Finance Corporation</b>		
16	MH: AHFC Homeless Assistance Program	8,000,000	7,150,000
17	(HD 1-40)		850,000
18	MH: AHFC Beneficiary and Special Needs	1,750,000	1,750,000
19	Housing (HD 1-40)		
20	*****	*****	
21	***** <b>Department of Transportation and Public Facilities</b> *****		
22	*****	*****	
23	MH Coordinated Transportation and	1,050,000	800,000
24	Vehicles (HD 1-40)		250,000
25	(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	<b>Department of Health and Social Services</b>	
5	1037 General Fund / Mental Health	500,000
6	1092 Mental Health Trust Authority Authorized Receipts	300,000
7	1139 Alaska Housing Finance Corporation Dividend	250,000
8	*** Total Agency Funding ***	1,050,000
9	<b>Department of Revenue</b>	
10	1004 Unrestricted General Fund Receipts	8,050,000
11	1037 General Fund / Mental Health	850,000
12	1092 Mental Health Trust Authority Authorized Receipts	850,000
13	*** Total Agency Funding ***	9,750,000
14	<b>Department of Transportation and Public Facilities</b>	
15	1037 General Fund / Mental Health	800,000
16	1092 Mental Health Trust Authority Authorized Receipts	250,000
17	*** Total Agency Funding ***	1,050,000
18	<b>*** Total Budget ***</b>	<b>11,850,000</b>

19 (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	1004 Unrestricted General Fund Receipts	8,050,000
6	1037 General Fund / Mental Health	2,150,000
7	1139 Alaska Housing Finance Corporation Dividend	250,000
8	*** Total Unrestricted General ***	10,450,000
9	<b>Other Non-Duplicated</b>	
10	1092 Mental Health Trust Authority Authorized Receipts	1,400,000
11	*** Total Other Non-Duplicated ***	1,400,000

12 (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. LEGISLATIVE INTENT RELATING TO RECIDIVISM PLAN.** It is the intent of  
4 the legislature that the Department of Corrections, Department of Health and Social Services,  
5 Department of Labor and Workforce Development, Alaska Mental Health Trust Authority,  
6 Alaska Housing Finance Corporation, and Alaska Court System continue to work  
7 collaboratively to identify common clients who are being released from correctional  
8 institutions and

9             (1) develop and implement a comprehensive, complementary, nonduplicative  
10 plan for providing substance abuse, mental health, housing, and employment services to those  
11 who are released from correctional institutions;

12             (2) use the plan to assist the Department of Corrections, Department of Health  
13 and Social Services, Department of Labor and Workforce Development, Alaska Mental  
14 Health Trust Authority, Alaska Housing Finance Corporation, and Alaska Court System in  
15 improving treatment and other outcomes for recently released inmates with the goal of  
16 reducing correctional system recidivism rates;

17             (3) gather and analyze data on the substance abuse, mental health,  
18 employment, and housing services needed and the services provided to the released clients;

19             (4) propose effectiveness and efficiency measures for the new plan; and

20             (5) jointly report on plan implementation and data findings to the legislature  
21 by February 2, 2015.

22     \* **Sec. 9. NONGENERAL FUND RECEIPTS.** (a) Alaska Mental Health Trust Authority  
23 authorized receipts (AS 37.14.036) or administration receipts (AS 37.14.036) that exceed the  
24 amounts appropriated by this Act are appropriated conditioned upon compliance with the  
25 program review provisions of AS 37.07.080(h).

26             (b) If Alaska Mental Health Trust Authority authorized receipts (AS 37.14.036) or  
27 administration receipts (AS 37.14.036) fall short of the estimates used as the basis of the  
28 appropriation, the affected appropriation is reduced by the amount of the shortfall in receipts.

29     \* **Sec. 10. SALARY AND BENEFIT ADJUSTMENTS.** (a) The appropriations made in sec.  
30 1 of this Act include amounts for salary and benefit adjustments for public officials, officers,  
31 and employees of the executive branch, Alaska Court System employees, employees of the

1 legislature, and legislators and to implement the terms for the fiscal year ending June 30,  
2 2015, of the following collective bargaining agreements:

- 3 (1) Public Employees Local 71, for the labor, trades and crafts unit;
- 4 (2) Teachers' Education Association of Mt. Edgecumbe;
- 5 (3) Alaska Correctional Officers Association, representing the correctional  
6 officers unit;
- 7 (4) Confidential Employees Association, for the confidential unit;
- 8 (5) Alaska Public Employees Association, for the supervisory unit;
- 9 (6) Alaska State Employees Association, for the general government unit.

10 (b) The operating budget appropriations made to the University of Alaska in sec. 1 of  
11 this Act include amounts for salary and benefit adjustments for the fiscal year ending June 30,  
12 2015, for university employees who are not members of a collective bargaining unit and to  
13 implement the terms for the fiscal year ending June 30, 2015, of the following collective  
14 bargaining agreements:

- 15 (1) University of Alaska Federation of Teachers;
- 16 (2) Fairbanks Firefighters Union, IAFF Local 1324;
- 17 (3) United Academics - American Association of University Professors,  
18 American Federation of Teachers.

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

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

30 (e) Appropriations made in sec. 1 of this Act for salary and benefit adjustments as  
31 described in (a) and (b) of this section are for the benefit of the state's integrated

- 1 comprehensive mental health program only and do not necessarily affect every group of
- 2 noncovered employees or every collective bargaining unit listed in (a) and (b) of this section.
- 3 \* **Sec. 11.** This Act takes effect July 1, 2014.