

CONFERENCE CS FOR HOUSE BILL NO. 267
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-EIGHTH LEGISLATURE - SECOND SESSION

BY THE CONFERENCE COMMITTEE

Offered: 4/20/14

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

	Appropriation	General	Other
	Allocations	Items	Funds
	*****	*****	*****
***** Department of Administration *****			
	*****	*****	
Legal and Advocacy Services		2,224,600	2,070,800
Office of Public Advocacy	1,908,300		
Public Defender Agency	316,300		
	*****	*****	
***** Department of Corrections *****			
	*****	*****	
Inmate Health Care		6,500,400	6,024,600
Behavioral Health Care	6,500,400		
Offender Habilitation		1,611,500	1,611,500
Substance Abuse Treatment Program	1,611,500		
	*****	*****	
***** Department of Education and Early Development *****			
	*****	*****	

A school district may not receive state education aid for K-12 support appropriated under this section and distributed by the Department of Education and Early Development under AS 14.17 if the school district (1) has a policy refusing to allow recruiters for any branch of the United States military, Reserve Officers' Training Corps, Central Intelligence Agency, or Federal Bureau of Investigation to contact students on a school campus if the school district allows college, vocational school, or other job recruiters on a campus to contact students; (2)

		Appropriation	General	Other
	Allocations	Items	Funds	Funds

3 refuses to allow the Boy Scouts of America to use school facilities for meetings or contact
 4 with students if the school makes the facility available to other non-school groups in the
 5 community; or (3) has a policy of refusing to have an in-school Reserve Officers' Training
 6 Corps program or a Junior Reserve Officers' Training Corps program.

7	Teaching and Learning Support	477,800	377,800	100,000
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8	Student and School	477,800		
9	Achievement			

10	*****	*****		
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11 ***** **Department of Health and Social Services** *****

12	*****	*****		
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13 At the discretion of the Commissioner of the Department of Health and Social Services, up to
 14 \$50,000,000 may be transferred between appropriations in the Department of Health and
 15 Social Services.

16 It is the intent of the legislature that the Department of Health and Social Services submit a
 17 report of transfers between appropriations that occurred in the first half of FY2015 by January
 18 30, 2015, and a report of transfers in the second half of FY2015, by September 1, 2015, to the
 19 House and Senate Finance Committees and the Legislative Finance Division.

20 It is the intent of the legislature that the department find efficiencies, and use savings from
 21 those efficiencies, to implement priorities of the department. These priorities may include
 22 implementing the 2012 Office of Children's Services Workload Study recommendations.

23	Alaska Pioneer Homes	15,794,700	15,794,700	
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24 It is the intent of the legislature that the department submit a report to the legislature by
 25 January 22, 2015, outlining statutory and regulatory changes that need to occur to ensure that
 26 the Alaska Pioneer Homes maximize Medicaid funding.

27	Alaska Pioneer Homes	64,200		
28	Management			
29	Pioneer Homes	15,730,500		

30 The amount allocated for Pioneer Homes includes the unexpended and unobligated balance
 31 on June 30, 2014, of the Department of Health and Social Services, Pioneer Homes care and
 32 support receipts under AS 47.55.030.

33	Behavioral Health	86,079,000	84,264,600	1,814,400
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	Appropriation	General	Other
	Allocations	Funds	Funds
	Items		
1			
2			
3	AK Fetal Alcohol Syndrome	359,500	
4	Program		
5	Alcohol Safety Action	1,005,800	
6	Program (ASAP)		
7	Behavioral Health Grants	23,552,400	
8	Behavioral Health	5,756,500	
9	Administration		
10	Community Action Prevention	1,538,200	
11	& Intervention Grants		
12	Rural Services and Suicide	2,323,700	
13	Prevention		
14	Psychiatric Emergency	5,655,100	
15	Services		
16	Services to the Seriously	16,968,600	
17	Mentally Ill		
18	Designated Evaluation and	3,390,700	
19	Treatment		
20	Services for Severely	13,942,600	
21	Emotionally Disturbed Youth		
22	Alaska Psychiatric	6,685,300	
23	Institute		
24	Alaska Mental Health Board	1,000,000	
25	and Advisory Board on		
26	Alcohol and Drug Abuse		
27	Suicide Prevention Council	662,500	
28	Residential Child Care	3,238,100	
29	Children's Services	10,245,400	10,065,400
30	Children's Services	69,500	
31	Management		
32	Front Line Social Workers	148,500	
33	Family Preservation	726,000	

		Appropriation	General	Other
		Allocations	Items	Funds
			Funds	Funds
3	Foster Care Augmented Rate	500,000		
4	Foster Care Special Need	747,900		
5	Infant Learning Program	8,053,500		
6	Grants			
7	Health Care Services		128,400	128,400
8	Residential Licensing	128,400		
9	Juvenile Justice		1,501,100	1,232,400
10	McLaughlin Youth Center	721,500		
11	Fairbanks Youth Facility	114,400		
12	Bethel Youth Facility	63,000		
13	Probation Services	602,200		
14	Public Assistance		13,200	13,200
15	Public Assistance	13,200		
16	Administration			
17	Public Health		1,764,900	1,449,900
18	Health Planning and Systems	801,600		
19	Development			
20	It is the intent of the legislature that the Health Care Professions Loan Repayment and			
21	Incentive Program be administered in stricter accordance to statute which directs that there			
22	should be an emphasis on providing residents of rural areas of the state improved access to			
23	health care services, and improving the distribution of health care professionals who provide			
24	direct patient care.			
25	It is the intent of the legislature that the match requirement for the Health Care Professions			
26	Loan Repayment and Incentive Program be adjusted only for non-profit employers or other			
27	entities and only when the employer or other entity demonstrates an inability to pay the			
28	amount prescribed in regulation and upon the Commissioner's written approval. It is also the			
29	intent of the legislature that employers or other entities that are government entities pay a			
30	match at least equal to that prescribed for non-profit employers.			
31	Nursing	98,200		
32	Women, Children and Family	865,100		
33	Health			

		Appropriation	General	Other
	Allocations	Items	Funds	Funds
3	Senior and Disabilities Services	17,580,700	16,211,900	1,368,800
4	Senior and Disabilities	3,225,000		
5	Services Administration			
6	General Relief/Temporary	740,300		
7	Assisted Living			
8	Senior Community Based	4,466,600		
9	Grants			
10	Community Developmental	8,082,600		
11	Disabilities Grants			
12	Commission on Aging	146,400		
13	Governor's Council on	919,800		
14	Disabilities and Special			
15	Education			
16	Departmental Support Services	459,800	459,800	
17	Commissioner's Office	109,800		
18	HSS State Facilities Rent	350,000		
19	Medicaid Services	73,985,500	73,985,500	
20	No money appropriated in this appropriation may be expended for an abortion that is not a			
21	mandatory service required under AS 47.07.030(a). The money appropriated for Health and			
22	Social Services may be expended only for mandatory services required under Title XIX of the			
23	Social Security Act and for optional services offered by the state under the state plan for			
24	medical assistance that has been approved by the United States Department of Health and			
25	Human Services.			
26	Behavioral Health Medicaid	72,006,300		
27	Services			
28	Children's Medicaid	1,979,200		
29	Services			
30	*****	*****		
31	***** Department of Labor and Workforce Development *****			
32	*****	*****		
33	Vocational Rehabilitation	100,000	100,000	

	Appropriation	General	Other
	Allocations	Items	Funds
			Funds
1			
2			
3	Special Projects	100,000	
4	*****	*****	
5	***** Department of Law *****		
6	*****	*****	
7	Criminal Division	15,000	15,000
8	Third Judicial District:	15,000	
9	Anchorage		
10	Civil Division	97,000	97,000
11	Human Services	97,000	
12	*****	*****	
13	***** Department of Natural Resources *****		
14	*****	*****	
15	Administration & Support Services	4,071,400	4,071,400
16	Mental Health Trust Lands	4,071,400	
17	Administration		
18	*****	*****	
19	***** Department of Revenue *****		
20	*****	*****	
21	Alaska Mental Health Trust Authority	4,339,200	912,500
22			3,426,700
23	It is the intent of the legislature that the Alaska Mental Health Trust assess the potential		
24	impact of expanded broadband on long term general fund operating costs by looking at the		
25	following:		
26	1. Existing broadband capacity (including educational and tribal health networks) that could		
27	be accessed by the state;		
28	2. The broadband capacity needed to improve access to health care;		
29	3. Costs of and barriers to expanding broadband; and		
30	4. Potential long-term general fund savings attributable to expanding broadband access.		
31	It is also the intent of the legislature that the Alaska Mental Health Trust submit a report to the		
32	legislature outlining the results of assessing the above items by January 15, 2015.		
33	Mental Health Trust	3,926,700	
	Operations		

	Appropriation	General	Other
	Allocations	Funds	Funds
	Items		
1			
2			
3	Long Term Care Ombudsman	412,500	
4	Office		
5	*****	*****	
6	***** University of Alaska *****		
7	*****	*****	
8	University of Alaska	2,520,800	655,800 1,865,000

9 It is the intent of the legislature that the University of Alaska maintain the University of
10 Alaska Anchorage Office of Research and Graduate Studies and the University of Alaska
11 Fairbanks Office of Intellectual Property and Commercialization and continue to explore
12 additional funding opportunities.

13 It is the intent of the legislature that the University of Alaska shall collect data on recent and
14 future graduates so that a performance matrix may be established for each degree program
15 offered by the University. Information should include the number of students who graduate,
16 when they are employed in a related field of study and at what salary, what their debt load
17 was upon graduation, and other demographic information.

18 It is the intent of the legislature that the University of Alaska carefully review every program
19 and reevaluate and implement benchmarks with measurable outcomes, delete any unnecessary
20 programs, implement streamlining and efficiency measures, conduct a systemwide audit,
21 implement and conduct rigorous employee evaluations using best practices, strongly consider
22 fiscal impacts during employee labor contract negotiations to help lower costs, attain and
23 implement cost-savings in travel policy, maximize energy and heating efficiencies in
24 buildings, and sell, lease, or repurpose buildings for maximum utilization.

25 It is the intent of the legislature that the University of Alaska submits a Fiscal Year 2016
26 budget in which requests for unrestricted general fund increments do not exceed the amount
27 of additional University Receipts requested for that year. It is the intent of the legislature that
28 future budget requests of the University of Alaska for unrestricted general funds move toward
29 a long-term goal of 125 percent of actual University Receipts for the most recently closed
30 fiscal year.

31	Anchorage Campus	2,470,800	
32	Fairbanks Campus	50,000	
33	*****	*****	

1		Appropriation	General	Other
2		Allocations	Items	Funds
3		***** Alaska Court System *****		
4		*****	*****	
5	Alaska Court System		227,000	227,000
6	Trial Courts	227,000		
7	Therapeutic Courts		3,453,900	2,993,600
8	Therapeutic Courts	3,453,900		460,300
9	(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	Department of Administration	
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	Department of Corrections	
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	Department of Education and Early Development	
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	Department of Health and Social Services	
17	1037 General Fund / Mental Health	183,981,300
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 ***	207,552,700
21	Department of Labor and Workforce Development	
22	1037 General Fund / Mental Health	100,000
23	*** Total Agency Funding ***	100,000
24	Department of Law	
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	Department of Natural Resources	
29	1092 Mental Health Trust Authority Authorized Receipts	4,071,400
30	*** Total Agency Funding ***	4,071,400
31	Department of Revenue	

1	1037	General Fund / Mental Health	912,500
2	1094	Mental Health Trust Administration	3,426,700
3	*** Total Agency Funding ***		4,339,200
4	University of Alaska		
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	Alaska Court System		
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	***** Total Budget *****		233,191,300
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	Unrestricted General	
5	1037 General Fund / Mental Health	198,533,900
6	*** Total Unrestricted General ***	198,533,900
7	Designated General	
8	1180 Alcohol and Other Drug Abuse Treatment & Prevention Fund	20,142,500
9	*** Total Designated General ***	20,142,500
10	Other Non-Duplicated	
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
	*****	*****	
	***** Department of Health and Social Services *****		
	*****	*****	
10	MH Essential Program Equipment (HD 1-	500,000	250,000
11	40)		250,000
12	MH Home Modification and Upgrades to	1,050,000	750,000
13	Retain Housing (HD 1-40)		300,000
14	*****	*****	
15	***** Department of Revenue *****		
16	*****	*****	
17	Alaska Housing Finance Corporation		
18	MH: AHFC Beneficiary and Special Needs	1,750,000	1,750,000
19	Housing (HD 1-40)		
20	MH: AHFC Homeless Assistance Program	8,000,000	7,150,000
21	(HD 1-40)		850,000
22	*****	*****	
23	***** Department of Transportation and Public Facilities *****		
24	*****	*****	
25	MH Coordinated Transportation and	1,050,000	800,000
26	Vehicles (HD 1-40)		250,000

27 (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 and Social Services	
5	1037 General Fund / Mental Health	1,000,000
6	1092 Mental Health Trust Authority Authorized Receipts	550,000
7	*** Total Agency Funding ***	1,550,000
8	Department of Revenue	
9	1004 Unrestricted General Fund Receipts	8,050,000
10	1037 General Fund / Mental Health	850,000
11	1092 Mental Health Trust Authority Authorized Receipts	850,000
12	*** Total Agency Funding ***	9,750,000
13	Department of Transportation and Public Facilities	
14	1037 General Fund / Mental Health	800,000
15	1092 Mental Health Trust Authority Authorized Receipts	250,000
16	*** Total Agency Funding ***	1,050,000
17	***** Total Budget *****	12,350,000

18 (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	1004 Unrestricted General Fund Receipts	8,050,000
6	1037 General Fund / Mental Health	2,650,000
7	*** Total Unrestricted General ***	10,700,000
8	Other Non-Duplicated	
9	1092 Mental Health Trust Authority Authorized Receipts	1,650,000
10	*** Total Other Non-Duplicated ***	1,650,000

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 by 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 terms for the fiscal year ending June 30,
14 2015, of the following collective bargaining agreements:

- 15 (1) Public Employees Local 71, for the labor, trades and crafts unit;
- 16 (2) Teachers' Education Association of Mt. Edgecumbe;
- 17 (3) Alaska Correctional Officers Association, representing the correctional
18 officers unit;
- 19 (4) Confidential Employees Association, for the confidential unit;
- 20 (5) Alaska Public Employees Association, for the supervisory unit;
- 21 (6) Alaska State Employees Association, for the general government unit;
- 22 (7) Public Safety Employees Association;
- 23 (8) Alaska Vocational Technical Center Teachers' Association.

24 (b) The operating budget appropriations made to the University of Alaska in sec. 1 of
25 this Act include amounts for salary and benefit adjustments for the fiscal year ending June 30,
26 2015, for university employees who are not members of a collective bargaining unit and to
27 implement the terms for the fiscal year ending June 30, 2015, of the following collective
28 bargaining agreements:

- 29 (1) University of Alaska Federation of Teachers;
- 30 (2) Fairbanks Firefighters Union, IAFF Local 1324;
- 31 (3) United Academics - American Association of University Professors,

1 American Federation of Teachers;

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

4 (5) Alaska Higher Education Crafts and Trades Employees, Local 6070.

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

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

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

20 * **Sec. 10.** This Act takes effect July 1, 2014.