

CS FOR HOUSE BILL NO. 257(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-NINTH LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered: 3/9/16

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; making supplemental**
3 **appropriations; and providing for an effective date."**

4 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 (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, 2016 and ending June 30, 2017, 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	Funds
	*****	*****		
	***** Department of Administration *****			
	*****	*****		
Legal and Advocacy Services		2,315,700	2,106,900	208,800
Office of Public Advocacy	1,941,200			
Public Defender Agency	374,500			
	*****	*****		
	***** Department of Corrections *****			
	*****	*****		
Health and Rehabilitation Services		8,244,000	7,737,100	506,900
Behavioral Health Care	6,632,500			
Substance Abuse Treatment	1,611,500			
Program				
	*****	*****		
	***** Department of Education and Early Development *****			
	*****	*****		

A school district may not receive state education aid for K-12 support appropriated under Section 1 of the Act 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 campus to contact students;

	Appropriation	General	Other
	Allocations	Funds	Funds
(2) Refuses to allow the Boy Scouts of America to use school facilities for meetings or contact with students if the school makes the facility available to other non-school groups in the community; or			
(3) Has a policy of refusing to have an in-school Reserve Officers' Training program or a Junior Reserve Officers' Training Corps program.			
Teaching and Learning Support	452,800	377,800	75,000
Student and School Achievement	452,800		
The amount allocated for program administration and operations shall not include federal receipts for the ANSWERS program.			
	*****	*****	
	***** Department of Health and Social Services *****		
	*****	*****	
At the discretion of the Commissioner of the Department of Health and Social Services, up to \$25,000,000 of unrestricted general funds may be transferred between all appropriations in the Department of Health and Social Services, except Medicaid Services.			
Alaska Pioneer Homes	16,045,000	16,045,000	
It is the intent of the legislature that the Division of Pioneer Homes work to achieve savings through the privatization of food and janitorial services in all the Pioneer Homes as has been accomplished in the Juneau Pioneer Home.			
Alaska Pioneer Homes Management	64,200		
Pioneer Homes	15,980,800		
The amount allocated for Pioneer Homes includes the unexpended and unobligated balance on June 30, 2016, of the Department of Health and Social Services, Pioneer Homes care and support receipts under AS 47.55.030.			
Behavioral Health	81,551,700	79,801,100	1,750,600
Behavioral Health Treatment and Recovery Grants	52,920,200		
Alcohol Safety Action Program (ASAP)	1,363,700		

		Appropriation	General	Other
		Allocations	Funds	Funds
1				
2				
3	Behavioral Health	5,853,700		
4	Administration			
5	Behavioral Health	6,221,400		
6	Prevention and Early			
7	Intervention Grants			
8	Designated Evaluation and	3,957,700		
9	Treatment			
10	Alaska Psychiatric	6,391,100		
11	Institute			
12	Alaska Mental Health Board	954,500		
13	and Advisory Board on			
14	Alcohol and Drug Abuse			
15	Suicide Prevention Council	651,300		
16	Residential Child Care	3,238,100		
17	Children's Services		2,191,900	2,191,900
18	Children's Services	69,500		
19	Management			
20	Front Line Social Workers	148,500		
21	Family Preservation	726,000		
22	Foster Care Augmented Rate	500,000		
23	Foster Care Special Need	747,900		
24	Health Care Services		128,400	128,400
25	Residential Licensing	128,400		
26	Juvenile Justice		1,528,500	1,255,400
27	McLaughlin Youth Center	736,000		273,100
28	Fairbanks Youth Facility	116,800		
29	Bethel Youth Facility	64,200		
30	Probation Services	611,500		
31	Public Assistance		13,200	
32	Public Assistance	13,200		
33	Administration			

		Appropriation	General	Other
		Allocations	Funds	Funds
3	Public Health		1,454,800	250,000
4	Health Planning and Systems	801,600		
5	Development			
6	Nursing	98,200		
7	It is the intent of the legislature that, where possible, Public Health Nursing charge for			
8	services provided.			
9	Women, Children and Family	795,000		
10	Health			
11	Chronic Disease Prevention	10,000		
12	and Health Promotion			
13	Senior and Disabilities Services		23,354,800	1,330,000
14	Early Intervention/Infant	7,424,500		
15	Learning Programs			
16	Senior and Disabilities	3,075,500		
17	Services Administration			
18	General Relief/Temporary	740,300		
19	Assisted Living			
20	Senior Community Based	300,000		
21	Grants			
22	Community Developmental	12,196,400		
23	Disabilities Grants			
24	Commission on Aging	148,700		
25	Governor's Council on	799,400		
26	Disabilities and Special			
27	Education			
28	Departmental Support Services		459,800	
29	Commissioner's Office	109,800		
30	HSS State Facilities Rent	350,000		
31	Medicaid Services		62,907,700	
32	No money appropriated in this appropriation may be expended for an abortion that is not a			
33	mandatory service required under AS 47.07.030(a). The money appropriated for Health and			

		Appropriation	General	Other
		Allocations	Items	Funds
1				
2				
3	Social Services may be expended only for mandatory services required under Title XIX of the			
4	Social Security Act and for optional services offered by the state under the state plan for			
5	medical assistance that has been approved by the United States Department of Health and			
6	Human Services.			
7	Behavioral Health Medicaid	62,524,600		
8	Services			
9	Children's Medicaid	383,100		
10	Services			
11		*****	*****	
12		***** Department of Labor and Workforce Development *****		
13		*****	*****	
14	Vocational Rehabilitation		125,000	125,000
15	Client Services	125,000		
16		*****	*****	
17		***** Department of Law *****		
18		*****	*****	
19	Criminal Division		15,000	15,000
20	Third Judicial District:	15,000		
21	Anchorage			
22	Civil Division		98,800	98,800
23	Human Services	98,800		
24		*****	*****	
25		***** Department of Natural Resources *****		
26		*****	*****	
27	It is the intent of the legislature that the Department of Natural Resources not purchase			
28	vehicles unless they are essential to work safety.			
29	Administration & Support Services		4,397,500	4,397,500
30	Mental Health Trust Lands	4,397,500		
31	Administration			
32		*****	*****	
33		***** Department of Revenue *****		

		Appropriation	General	Other
		Allocations	Funds	Funds

	Alaska Mental Health Trust Authority	4,716,200	954,200	3,762,000
	Mental Health Trust	4,262,000		
	Operations			
	Long Term Care Ombudsman	454,200		
	Office			

	***** University of Alaska *****			

It is the intent of the legislature that the Board of Regents of the University of Alaska return to the legislature with a specific plan for consolidation that includes specified timelines for anticipated results by the end of the 2016 calendar year; the plan would include, but would not be limited to, the university restructuring to one administrative unit with one accreditation.

It is the intent of the legislature that the University of Alaska prioritize and streamline its Personal Services within the Statewide Services Allocation.

It is the intent of the legislature that the University of Alaska conduct a comprehensive and transparent cost-to-revenue analysis, which does not include student fees or appropriations from the State of Alaska's General Funds as revenue, for all of its intercollegiate athletics programs; furthermore, the university is to report back to the legislature with its findings by the fifteenth day of the 2017 Legislative Session.

It is the intent of the legislature that the University of Alaska better utilize community buildings, school district buildings, and other facilities in close proximity to its existing "brick and mortar" campuses and satellite facilities that have low utilization rates of face-to-face classes only if the restructuring results in a decreased total cost; furthermore, the university is to report back to the legislature with its general plan to increase its use of "co-location" by the fifteenth day of the 2017 Legislative Session.

It is the intent of the legislature that the President of the University of Alaska make it one of his very highest priorities to improve student retention and graduation rates.

It is the intent of the legislature that the University of Alaska increase contributions from alumni and private industry by a combined twenty percent, as well as seek out productive public-private partnerships in an effort to increase self-supporting revenue and achieve a

		Appropriation	General	Other
	Allocations	Items	Funds	Funds
3	balanced, sustainable budget.			
4	It is the intent of the legislature that the University of Alaska increase its incoming enrollment			
5	for the Alaska Performance Scholarship and UA Scholars Program recipients by five percent.			
6	It is the intent of the legislature that the University of Alaska further develop and improve			
7	upon its utilization of its land grants in order to generate additional revenue; furthermore, the			
8	university will create a comprehensive plan to expand its land grants as they relate to			
9	generating revenue and present it to the legislature no later than the fifteenth day of the 2017			
10	Legislative Session.			
11	It is the intent of the legislature that the University of Alaska focus FY17 UGF budget			
12	reductions on (1) non-core mission programs and services; and (2) reduced personal services			
13	for all employees across the board or through furloughs.			
14	University of Alaska	2,678,400	655,800	2,022,600
15	Anchorage Campus	2,628,400		
16	Fairbanks Campus	50,000		
17		*****		
18		***** Judiciary *****		
19		*****		
20	Alaska Court System	227,000	227,000	
21	Trial Courts	227,000		
22	Therapeutic Courts	3,465,800	2,990,500	475,300
23	Therapeutic Courts	3,465,800		
24	(SECTION 2 OF THIS ACT BEGINS ON THE NEXT PAGE)			

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

Funding Source	Amount
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Department of Administration

1037	General Fund / Mental Health	2,106,900
1092	Mental Health Trust Authority Authorized Receipts	208,800
***	Total Agency Funding ***	2,315,700

Department of Corrections

1037	General Fund / Mental Health	7,737,100
1092	Mental Health Trust Authority Authorized Receipts	506,900
***	Total Agency Funding ***	8,244,000

Department of Education and Early Development

1037	General Fund / Mental Health	377,800
1092	Mental Health Trust Authority Authorized Receipts	75,000
***	Total Agency Funding ***	452,800

Department of Health and Social Services

1037	General Fund / Mental Health	163,987,600
1092	Mental Health Trust Authority Authorized Receipts	3,603,700
1180	Alcohol and Other Drug Abuse Treatment & Prevention Fund	23,624,500
***	Total Agency Funding ***	191,215,800

Department of Labor and Workforce Development

1092	Mental Health Trust Authority Authorized Receipts	125,000
***	Total Agency Funding ***	125,000

Department of Law

1037	General Fund / Mental Health	98,800
1092	Mental Health Trust Authority Authorized Receipts	15,000
***	Total Agency Funding ***	113,800

Department of Natural Resources

1092	Mental Health Trust Authority Authorized Receipts	4,397,500
***	Total Agency Funding ***	4,397,500

Department of Revenue

1	1037	General Fund / Mental Health	454,200
2	1094	Mental Health Trust Administration	3,762,000
3	1180	Alcohol and Other Drug Abuse Treatment & Prevention Fund	500,000
4	*** Total Agency Funding ***		4,716,200
5	University of Alaska		
6	1037	General Fund / Mental Health	655,800
7	1092	Mental Health Trust Authority Authorized Receipts	2,022,600
8	*** Total Agency Funding ***		2,678,400
9	Judiciary		
10	1037	General Fund / Mental Health	2,699,500
11	1092	Mental Health Trust Authority Authorized Receipts	475,300
12	1180	Alcohol and Other Drug Abuse Treatment & Prevention Fund	518,000
13	*** Total Agency Funding ***		3,692,800
14	* * * * * Total Budget * * * * *		217,952,000
15	(SECTION 3 OF THIS ACT BEGINS ON THE NEXT PAGE)		

* **Sec. 3.** The following sets out the statewide funding for the appropriations made in sec. 1 of this Act.

Funding Source	Amount
Unrestricted General	
1037 General Fund / Mental Health	178,117,700
*** Total Unrestricted General ***	178,117,700
Designated General	
1180 Alcohol and Other Drug Abuse Treatment & Prevention Fund	24,642,500
*** Total Designated General ***	24,642,500
Other Non-Duplicated	
1092 Mental Health Trust Authority Authorized Receipts	11,429,800
1094 Mental Health Trust Administration	3,762,000
*** Total Other Non-Duplicated ***	15,191,800

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

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

	Appropriation	General	Other
	Allocations	Funds	Funds
	*****	*****	
	***** Department of Health and Social Services *****		
	*****	*****	
MH Essential Program Equipment (HD 1-40)	500,000	250,000	250,000
MH Home Modification and Upgrades to Retain Housing (HD 1-40)	1,050,000	750,000	300,000
	*****	*****	
	***** Department of Revenue *****		
	*****	*****	
Alaska Housing Finance Corporation			
MH: AHFC Homeless Assistance Program (HD 1-40)	7,700,000	6,850,000	850,000
MH: AHFC Beneficiary and Special Needs Housing (HD 1-40)	1,500,000	1,500,000	
(SECTION 5 OF THIS ACT BEGINS ON THE NEXT PAGE)			

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

Funding Source	Amount
Department of Health and Social Services	
1004 Unrestricted General Fund Receipts	250,000
1037 General Fund / Mental Health	750,000
1092 Mental Health Trust Authority Authorized Receipts	550,000
*** Total Agency Funding ***	1,550,000
Department of Revenue	
1004 Unrestricted General Fund Receipts	1,603,371
1037 General Fund / Mental Health	850,000
1092 Mental Health Trust Authority Authorized Receipts	850,000
1139 Alaska Housing Finance Corporation Dividend	5,896,629
*** Total Agency Funding ***	9,200,000
* * * * * Total Budget * * * * *	10,750,000

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

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

Funding Source	Amount
Unrestricted General	
1004 Unrestricted General Fund Receipts	1,853,371
1037 General Fund / Mental Health	1,600,000
1139 Alaska Housing Finance Corporation Dividend	5,896,629
*** Total Unrestricted General ***	9,350,000
Other Non-Duplicated	
1092 Mental Health Trust Authority Authorized Receipts	1,400,000
*** Total Other Non-Duplicated ***	1,400,000

(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. DEPARTMENT OF HEALTH AND SOCIAL SERVICES.** The sum of
4 \$30,000,000 is appropriated from the general fund to the Department of Health and Social
5 Services, behavioral health, behavioral health treatment and recovery grants, for a pilot
6 program to develop additional substance use disorder services for the fiscal years ending
7 June 30, 2016, June 30, 2017, June 30, 2018, and June 30, 2019.

8 * **Sec. 9. NONGENERAL FUND RECEIPTS.** (a) Alaska Mental Health Trust Authority
9 authorized receipts (AS 37.14.036) or administration receipts (AS 37.14.036) that exceed the
10 amounts appropriated in this Act are appropriated conditioned upon compliance with the
11 program review provisions of AS 37.07.080(h).

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

15 * **Sec. 10. SALARY AND BENEFIT ADJUSTMENTS.** (a) The appropriations made in sec.
16 1 of this Act include amounts for salary and benefit adjustments for public officials, officers,
17 and employees of the executive branch, Alaska Court System employees, employees of the
18 legislature, and legislators and to implement the terms for the fiscal year ending June 30,
19 2017, of the following ongoing collective bargaining agreements:

20 (1) Alaska Correctional Officers Association, representing the correctional
21 officers unit;

22 (2) Public Safety Employees Association;

23 (3) Alaska Vocational Technical Center Teachers' Association;

24 (4) Inlandboatmen's Union of the Pacific, Alaska Region, for the unlicensed
25 marine unit;

26 (5) International Organization of Masters, Mates, and Pilots, for the masters,
27 mates, and pilots unit.

28 (b) The appropriations made to the University of Alaska in sec. 1 of this Act include
29 amounts for salary and benefit adjustments for the fiscal year ending June 30, 2017, for
30 university employees who are not members of a collective bargaining unit and to implement
31 the terms for the fiscal year ending June 30, 2017, of the following collective bargaining

1 agreements:

2 (1) United Academics - American Association of University Professors,
3 American Federation of Teachers;

4 (2) University of Alaska Federation of Teachers (UAFT);

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

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

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

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

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

23 * **Sec. 11. RETROACTIVITY.** If the appropriation made in sec. 8 of this Act takes effect
24 after April 17, 2016, sec. 8 of this Act is retroactive to April 17, 2016.

25 * **Sec. 12.** Section 8 of this Act takes effect April 17, 2016.

26 * **Sec. 13.** Except as provided in sec. 12 of this Act, this Act takes effect July 1, 2016.