

**CS FOR HOUSE BILL NO. 270(FIN)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-THIRD LEGISLATURE - SECOND SESSION

**BY THE HOUSE FINANCE COMMITTEE**

**Offered: 4/8/24**

**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)

\* **Section 1.** The following appropriation items are for operating expenditures from the general fund or other funds as set out in the fiscal year 2025 budget summary for the operating budget by funding source to the agencies named for the purposes expressed for the fiscal year beginning July 1, 2024 and ending June 30, 2025, unless otherwise indicated.

	Appropriation	General	Other
	Allocations	Items	Funds
	*****	*****	*****
***** <b>Department of Administration</b> *****			
	*****	*****	*****
<b>Legal and Advocacy Services</b>	<b>3,816,100</b>	<b>3,444,500</b>	<b>371,600</b>
Office of Public Advocacy	2,554,900		
Public Defender Agency	1,261,200		
	*****	*****	*****
***** <b>Department of Corrections</b> *****			
	*****	*****	*****
<b>Community Residential Centers</b>	<b>1,000,000</b>	<b>1,000,000</b>	
Community Residential Centers	1,000,000		
<b>Health and Rehabilitation Services</b>	<b>15,306,600</b>	<b>14,533,900</b>	<b>772,700</b>
Physical Health Care	3,512,000		
Behavioral Health Care	7,975,700		
Substance Abuse Treatment Program	1,643,900		
Sex Offender Management Program	2,000,000		
Domestic Violence Program	175,000		
<b>Offender Habilitation</b>	<b>1,433,000</b>	<b>1,433,000</b>	
Education Programs	827,000		
Vocational Education Programs	606,000		

		Appropriation	General	Other
	Allocations	Items	Funds	Funds
3	<b>Recidivism Reduction Grants</b>	<b>504,000</b>	<b>504,000</b>	
4	Recidivism Reduction Grants	504,000		
5	*****	*****		
6	***** <b>Department of Education and Early Development</b> *****			
7	*****	*****		
8	<b>Education Support and Admin Services</b>	<b>562,500</b>	<b>427,800</b>	<b>134,700</b>
9	Student and School	562,500		
10	Achievement			
11	*****	*****		
12	***** <b>Department of Family and Community Services</b> *****			
13	*****	*****		
14	<b>Alaska Psychiatric Institute</b>	<b>20,942,400</b>	<b>20,942,400</b>	
15	Alaska Psychiatric	20,942,400		
16	Institute			
17	<b>Children's Services</b>	<b>2,711,900</b>	<b>2,376,900</b>	<b>335,000</b>
18	Children's Services	554,500		
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	782,900		
24	<b>Juvenile Justice</b>	<b>1,586,900</b>	<b>1,486,900</b>	<b>100,000</b>
25	McLaughlin Youth Center	878,100		
26	Fairbanks Youth Facility	127,200		
27	Bethel Youth Facility	195,600		
28	Probation Services	386,000		
29	<b>Departmental Support Services</b>	<b>7,848,500</b>	<b>7,304,900</b>	<b>543,600</b>
30	Coordinated Health and	7,304,900		
31	Complex Care			
32	Commissioner's Office	543,600		
33	*****	*****		

		<b>Appropriation</b>	<b>General</b>	<b>Other</b>
		<b>Allocations</b>	<b>Funds</b>	<b>Funds</b>
		<b>Items</b>		
3	<b>***** Department of Health *****</b>			
4		<b>*****</b>	<b>*****</b>	
5	<b>Behavioral Health</b>	<b>57,947,300</b>	<b>57,030,500</b>	<b>916,800</b>
6	Behavioral Health Treatment	36,931,700		
7	and Recovery Grants			
8	Alcohol Safety Action	1,241,200		
9	Program (ASAP)			
10	Behavioral Health	10,542,400		
11	Administration			
12	Behavioral Health	5,537,000		
13	Prevention and Early			
14	Intervention Grants			
15	Alaska Mental Health Board	997,600		
16	and Advisory Board on			
17	Alcohol and Drug Abuse			
18	Suicide Prevention Council	608,700		
19	Residential Child Care	2,088,700		
20	<b>Health Care Services</b>	<b>152,900</b>	<b>152,900</b>	
21	Residential Licensing	152,900		
22	<b>Public Health</b>	<b>6,581,400</b>	<b>5,746,000</b>	<b>835,400</b>
23	Women, Children and Family	2,225,800		
24	Health			
25	Emergency Programs	755,400		
26	Chronic Disease Prevention	3,560,200		
27	and Health Promotion			
28	Bureau of Vital Statistics	40,000		
29	<b>Senior and Disabilities Services</b>	<b>12,837,900</b>	<b>11,071,000</b>	<b>1,766,900</b>
30	Senior and Disabilities	1,430,600		
31	Community Based Grants			
32	Early Intervention/Infant	7,884,500		
33	Learning Programs			

	<b>Appropriation</b>	<b>General</b>	<b>Other</b>
	<b>Allocations</b>	<b>Items</b>	<b>Funds</b>
			<b>Funds</b>
3	Senior and Disabilities	2,293,500	
4	Services Administration		
5	It is the intent of the legislature that the Department raise the \$18,500 per project cap for		
6	environmental modifications to \$40,000 per project, exclusive of shipping costs to remote		
7	communities, and extend the project timeline limit from 90 days to 270 days better reflect the		
8	true cost and time challenges of providing Environmental Modifications Services (E-Mods		
9	Program) in remote, rural areas of Alaska.		
10	General Relief/Temporary	740,300	
11	Assisted Living		
12	Commission on Aging	210,100	
13	Governor's Council on	278,900	
14	Disabilities and Special		
15	Education		
16	<b>Medicaid Services</b>	<b>82,155,800</b>	<b>82,155,800</b>
17	Medicaid Services	82,155,800	
18	It is the intent of the legislature that the Department shall increase Medicaid reimbursement		
19	rates for autism services by 12.76% to bring payment parity with similar Medicaid behavioral		
20	health service codes.		
21	* * * * *	* * * * *	
22	* * * * * <b>Department of Labor and Workforce Development</b> * * * * *		
23	* * * * *	* * * * *	
24	<b>Commissioner and Administrative</b>	<b>25,300</b>	<b>25,300</b>
25	<b>Services</b>		
26	Labor Market Information	25,300	
27	* * * * *	* * * * *	
28	* * * * * <b>Department of Law</b> * * * * *		
29	* * * * *	* * * * *	
30	<b>Civil Division</b>	<b>100,100</b>	<b>100,100</b>
31	The amount appropriated by this appropriation includes the unexpended and unobligated		
32	balance on June 30, 2024, of inter-agency receipts collected in the Department of Law's		
33	federally approved cost allocation plan.		

	<b>Appropriation</b>	<b>General</b>	<b>Other</b>
	<b>Allocations</b>	<b>Funds</b>	<b>Funds</b>
	<b>Items</b>		
1			
2			
3	Health, Safety & Welfare	100,100	
4	*****	*****	
5	***** <b>Department of Natural Resources</b> *****		
6	*****	*****	
7	<b>Administration &amp; Support Services</b>	<b>5,156,600</b>	<b>5,156,600</b>
8	Mental Health Trust Lands	5,156,600	
9	Administration		
10	*****	*****	
11	***** <b>Department of Public Safety</b> *****		
12	*****	*****	
13	<b>Alaska State Troopers</b>	<b>100,000</b>	<b>50,000</b>
14	Alaska State Trooper	100,000	
15	Detachments		
16	<b>Alaska Police Standards Council</b>	<b>80,000</b>	<b>80,000</b>
17	The amount appropriated by this appropriation includes the unexpended and unobligated		
18	balance on June 30, 2024, of the receipts collected under AS 12.25.195(c), AS 12.55.039, AS		
19	28.05.151, and AS 29.25.074 and receipts collected under AS 18.65.220(7).		
20	Alaska Police Standards	80,000	
21	Council		
22	<b>Victim Services</b>	<b>2,004,600</b>	<b>2,004,600</b>
23	It is the intent of the legislature that the Department, when preparing its FY26 budget		
24	submission to the legislature, consider how to maintain Child Advocacy Center service in		
25	regard to the loss of federal funding.		
26	Council on Domestic	2,004,600	
27	Violence and Sexual Assault		
28	*****	*****	
29	***** <b>Department of Revenue</b> *****		
30	*****	*****	
31	<b>Alaska Mental Health Trust Authority</b>	<b>5,586,400</b>	<b>686,800</b>
32	Mental Health Trust	4,899,600	
33	Operations		

	<b>Appropriation</b>	<b>General</b>	<b>Other</b>
	<b>Allocations</b>	<b>Funds</b>	<b>Funds</b>
	<b>Items</b>		
1			
2			
3	Long Term Care Ombudsman	686,800	
4	Office		
5	<b>Alaska Housing Finance Corporation</b>	<b>400,000</b>	<b>200,000</b>
6	AHFC Operations	400,000	<b>200,000</b>
7	* * * * *	* * * * *	
8	* * * * * <b>University of Alaska</b> * * * * *		
9	* * * * *	* * * * *	
10	<b>University of Alaska</b>	<b>3,118,300</b>	<b>1,005,800</b>
11	Anchorage Campus	3,068,300	
12	Fairbanks Campus	50,000	
13	* * * * * * * * * *		
14	* * * * * <b>Judiciary</b> * * * * *		
15	* * * * * * * * * *		
16	<b>Alaska Court System</b>	<b>532,800</b>	<b>532,800</b>
17	Trial Courts	532,800	
18	<b>Therapeutic Courts</b>	<b>4,465,400</b>	<b>4,287,100</b>
19	Therapeutic Courts	4,465,400	<b>178,300</b>
20	(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
<b>4 Department of Administration</b>	
5 1037 General Fund / Mental Health	3,444,500
6 1092 Mental Health Trust Authority Authorized Receipts	371,600
7 *** Total Agency Funding ***	3,816,100
<b>8 Department of Corrections</b>	
9 1037 General Fund / Mental Health	8,846,900
10 1092 Mental Health Trust Authority Authorized Receipts	772,700
11 1246 Recidivism Reduction Fund	8,624,000
12 *** Total Agency Funding ***	18,243,600
<b>13 Department of Education and Early Development</b>	
14 1037 General Fund / Mental Health	427,800
15 1092 Mental Health Trust Authority Authorized Receipts	134,700
16 *** Total Agency Funding ***	562,500
<b>17 Department of Family and Community Services</b>	
18 1037 General Fund / Mental Health	32,111,100
19 1092 Mental Health Trust Authority Authorized Receipts	978,600
20 *** Total Agency Funding ***	33,089,700
<b>21 Department of Health</b>	
22 1037 General Fund / Mental Health	121,444,300
23 1092 Mental Health Trust Authority Authorized Receipts	3,519,100
24 1180 Alcohol and Other Drug Abuse Treatment & Prevention Fund	20,382,000
25 1246 Recidivism Reduction Fund	6,008,900
26 1254 Marijuana Education and Treatment Fund	8,321,000
27 *** Total Agency Funding ***	159,675,300
<b>28 Department of Labor and Workforce Development</b>	
29 1092 Mental Health Trust Authority Authorized Receipts	25,300
30 *** Total Agency Funding ***	25,300
<b>31 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	5,156,600
5		*** Total Agency Funding ***	5,156,600
6		<b>Department of Public Safety</b>	
7	1037	General Fund / Mental Health	50,000
8	1092	Mental Health Trust Authority Authorized Receipts	130,000
9	1246	Recidivism Reduction Fund	2,004,600
10		*** Total Agency Funding ***	2,184,600
11		<b>Department of Revenue</b>	
12	1037	General Fund / Mental Health	886,800
13	1092	Mental Health Trust Authority Authorized Receipts	200,000
14	1094	Mental Health Trust Administration	4,899,600
15		*** Total Agency Funding ***	5,986,400
16		<b>University of Alaska</b>	
17	1037	General Fund / Mental Health	1,005,800
18	1092	Mental Health Trust Authority Authorized Receipts	2,112,500
19		*** Total Agency Funding ***	3,118,300
20		<b>Judiciary</b>	
21	1037	General Fund / Mental Health	4,301,900
22	1092	Mental Health Trust Authority Authorized Receipts	178,300
23	1180	Alcohol and Other Drug Abuse Treatment & Prevention Fund	518,000
24		*** Total Agency Funding ***	4,998,200
25		<b>* * * * * Total Budget * * * * *</b>	<b>236,956,700</b>

26 (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	172,619,200
6	*** Total Unrestricted General ***	172,619,200
7	<b>Designated General</b>	
8	1180 Alcohol and Other Drug Abuse Treatment & Prevention Fund	20,900,000
9	1246 Recidivism Reduction Fund	16,637,500
10	1254 Marijuana Education and Treatment Fund	8,321,000
11	*** Total Designated General ***	45,858,500
12	<b>Other Non-Duplicated</b>	
13	1092 Mental Health Trust Authority Authorized Receipts	13,579,400
14	1094 Mental Health Trust Administration	4,899,600
15	*** Total Other Non-Duplicated ***	18,479,000

16 (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	Funds	Funds
	*****		
	***** <b>Health</b> *****		
	*****		
10	MH Trust: Essential Program Equipment	500,000	250,000
11	(HD 1-40)		250,000
12	MH Trust: Home Modification and	1,150,000	1,150,000
13	Upgrades to Retain Housing (HD 1-40)		
14	*****	*****	
15	***** <b>Department of Revenue</b> *****		
16	*****	*****	
17	<b>Alaska Housing Finance Corporation</b>		
18	MH Trust: AHFC Rural Housing	135,000	135,000
19	Coordinator - Northwest Arctic Borough		
20	(HD 1-40)		
21	MH Trust: AHFC Rural Housing	135,000	135,000
22	Coordinator - New Region (HD 1-40)		
23	MH Trust: AHFC Beneficiary and Special	3,700,000	3,500,000
24	Needs Housing (HD 1-40)		200,000
25	MH Trust: AHFC Homeless Assistance	10,150,000	9,200,000
26	Program (HD 1-40)		950,000
27	*****	*****	
28	***** <b>Department of Transportation and Public Facilities</b> *****		
29	*****	*****	
30	MH Trust: Coordinated Transportation	1,250,000	1,000,000
31	and Vehicles (HD 1-40)		250,000

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>Health</b>	
5	1037 General Fund / Mental Health	1,400,000
6	1092 Mental Health Trust Authority Authorized Receipts	250,000
7	*** Total Agency Funding ***	1,650,000
8	<b>Department of Revenue</b>	
9	1037 General Fund / Mental Health	4,600,000
10	1092 Mental Health Trust Authority Authorized Receipts	1,420,000
11	1139 Alaska Housing Finance Corporation Dividend	8,100,000
12	*** Total Agency Funding ***	14,120,000
13	<b>Department of Transportation and Public Facilities</b>	
14	1037 General Fund / Mental Health	1,000,000
15	1092 Mental Health Trust Authority Authorized Receipts	250,000
16	*** Total Agency Funding ***	1,250,000
17	<b>* * * * * Total Budget * * * * *</b>	<b>17,020,000</b>

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	<b>Unrestricted General</b>	
5	1037 General Fund / Mental Health	7,000,000
6	1139 Alaska Housing Finance Corporation Dividend	8,100,000
7	*** Total Unrestricted General ***	15,100,000
8	<b>Other Non-Duplicated</b>	
9	1092 Mental Health Trust Authority Authorized Receipts	1,920,000
10	*** Total Other Non-Duplicated ***	1,920,000

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. BONUSES FOR CERTAIN EMPLOYEES OF THE EXECUTIVE BRANCH.** (a)  
4 The money appropriated in this Act includes amounts to implement the payment of bonuses  
5 and other monetary terms of letters of agreement entered into between the state and collective  
6 bargaining units under AS 23.40.070 - 23.40.260 for the fiscal year ending June 30, 2025.

7 (b) The Office of the Governor, office of management and budget, shall

8 (1) not later than 30 days after the Department of Administration enters into a  
9 letter of agreement described in (a) of this section, provide to the legislative finance division  
10 in electronic form

11 (A) a copy of the letter of agreement; and

12 (B) a copy of the cost estimate prepared for the letter of agreement;

13 and

14 (2) submit a report to the co-chairs of the finance committee of each house of  
15 the legislature and the legislative finance division not later than

16 (A) February 1, 2025, that summarizes all payments made under the  
17 letters of agreement described in (a) of this section during the first half of the fiscal  
18 year ending June 30, 2025; and

19 (B) September 30, 2025, that summarizes all payments made under the  
20 letters of agreement described in (a) of this section during the second half of the fiscal  
21 year ending June 30, 2025.

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 in 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 monetary terms for the fiscal year ending  
2 June 30, 2025, of the following ongoing collective bargaining agreements, including the  
3 monetary terms of any letters of agreement:

4 (1) Alaska State Employees Association, for the general government unit;

5 (2) Alaska Vocational Technical Center Teachers' Association, National  
6 Education Association, representing the employees of the Alaska Vocational Technical  
7 Center;

8 (3) Marine Engineers' Beneficial Association, representing licensed engineers  
9 employed by the Alaska marine highway system;

10 (4) International Organization of Masters, Mates, and Pilots, representing the  
11 masters, mates, and pilots unit;

12 (5) Confidential Employees Association, representing the confidential unit;

13 (6) Teachers' Education Association of Mt. Edgecumbe, representing the  
14 teachers of Mt. Edgecumbe High School;

15 (7) Inlandboatmen's Union of the Pacific, Alaska Region, representing the  
16 unlicensed marine unit;

17 (8) Public Safety Employees Association, representing the regularly  
18 commissioned public safety officers unit.

19 (b) The appropriations made to the University of Alaska in sec. 1 of this Act include  
20 amounts for salary and benefit adjustments for the fiscal year ending June 30, 2025, for  
21 university employees who are not members of a collective bargaining unit and to implement  
22 the monetary terms for the fiscal year ending June 30, 2025, of the following collective  
23 bargaining agreements:

24 (1) United Academic - Adjuncts - American Association of University  
25 Professors, American Federation of Teachers;

26 (2) United Academics - American Association of University Professors,  
27 American Federation of Teachers;

28 (3) Fairbanks Firefighters Union, IAFF Local 1324;

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

30 (c) If a collective bargaining agreement listed in (a) of this section is not ratified by  
31 the membership of the respective collective bargaining unit, the appropriations made in this

1 Act applicable to the collective bargaining unit's agreement are adjusted proportionately by  
2 the amount for that collective bargaining agreement, and the corresponding funding source  
3 amounts are adjusted accordingly.

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

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

14 \* **Sec. 11.** CONTINGENCY. The appropriations made in sec. 1 of this Act for the payment  
15 of a bonus to an employee in the executive branch of the state government who is a member  
16 of a collective bargaining unit established under the authority of AS 23.40.070 - 23.40.260  
17 (Public Employment Relations Act) but for which the state and applicable bargaining unit of  
18 the employee have not yet entered into a letter of agreement under AS 23.40.070 - 23.40.260  
19 are contingent on the following:

20 (1) the state and the applicable bargaining unit of the employee entering into a  
21 letter of agreement under AS 23.40.070 - 23.40.260 for the bonus; and

22 (2) the Office of the Governor, office of management and budget, satisfying  
23 the requirements of sec. 8(b)(1) of this Act.

24 \* **Sec. 12.** This Act takes effect July 1, 2024.