

SRB

96

SENATE COMMITTEE REPORT

FURTHER:

/4/29/87

DATE TURNED INTO OFFICE _____

Mr. President:

FINANCE Committee considered SB 96

implementing a settlement relating to the federally created mental health trust; efd.

and recommended:

replace with CS FOR _____) same title
 or adopt _____ CS FOR _____) new title

attached amendment(s) and

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

letter of intent adopted _____

Committee attached or adopted fiscal note(s)

new updated or previous
 zero fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

Committee Backup Attached Chairman signature and recommendation

SENATE COMMITTEE REPORT

FURTHER: FINANCE

4/21/87

DATE TURNED INTO OFFICE

4/28/87

Mr. President:

JUDICIARY

Committee considered

SB 96

implementing a settlement relating to the federally created mental health trust; efd.

and recommended:

[] replace with *Adoption HESS 05*) [] same title
[] or adopt _____ CS FOR *SB 910 (HESS)*) [] new title

[] attached amendment(s) and

[X] do pass

[] do not pass

[] no recommendation

[X] individual recommendations

[] further referral to _____

[] letter of intent adopted _____

Committee [] attached or [] adopted fiscal note(s)

[] new [] updated or [X] previous
[] zero [X] fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

Handwritten signatures: Mark Rodery, Jeff. Johnson, Curtis Sturgis, Rick Halford

Blank lines for other recommendations

Handwritten signature and 'do pass' recommendation

[] Committee Backup Attached

SENATE COMMITTEE REPORT

FIRST COMMITTEE OF REFERRAL

Date of 2/18/87 5-DAY NOTICE
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER: JUDICIARY
FINANCE

**FISCAL NOTE(S) ATTACHED 1 **
IN ACCORDANCE WITH AS 24.08.035
(see below)

DATE TURNED INTO OFFICE 4/21/87

Mr. President:

HESS Committee considered SB 96

implementing a settlement relating to the federally created
mental health trust; efd.

and recommended:

replace with CS SB 96 (HESS) ~~same title~~
~~new title~~

attached amendment(s) and

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

letter of intent adopted and attached

** Committee attached or adopted fiscal note(s)
 zero fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

Rick Halford
[Signature]
[Signature]

[Signature] DO PASS

[Signature] - Vice Chair
Chairman signature and recommendation

Committee Backup Attached

DO PASS

Original sponsor: Halford/Joint Special Committee
on Mental Health Trust Land

1 IN THE SENATE

BY THE HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE

2 CS FOR SENATE BILL NO. 96 (HESS)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Alaska Mental Health Trust;
7 and providing for an effective date."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. FINDINGS AND PURPOSE. (a) The legislature finds

10 (1) the United States Congress passed the Alaska Mental Health
11 Enabling Act of 1956, P.L. No. 84-830, 70 Stat. 709, "To confer upon Alaska
12 autonomy in the field of mental health, transfer from the Federal Govern-
13 ment to the Territory the fiscal and functional responsibility for the
14 hospitalization of committed mental patients, and for other purposes;"

15 (2) in sec. 202 of the Alaska Mental Health Enabling Act, the
16 Congress granted the territory the right to select up to one million acres
17 of federal land to serve as a source of funds to support the territory's
18 mental health program;

19 (3) in subsection 202(e), the Congress specifically provided
20 that the land so granted, as well as any income from the land and proceeds
21 from dispositions of the land, were to be administered as "a public trust
22 and such proceeds and income shall first be applied to meet the necessary
23 expenses of the mental health program of Alaska," that "Such lands, income,
24 and proceeds shall be managed and utilized in such manner as the Legisla-
25 ture of Alaska may provide," that the land may be "sold, leased, mortgaged,
26 exchanged or otherwise disposed of in such manner as the Legislature of
27 Alaska may provide, in order to obtain funds or other property to be in-
28 vested, expended or used by the Territory of Alaska," and that the Alaska
29 legislature must exercise this broad authority "in a manner compatible with
S

1 the conditions and requirements imposed by this Act;"

2 (4) in requiring that the proceeds and income of the 1,000,000-
3 acre land grant "first be applied to meet the necessary expenses of the
4 mental health program of Alaska," it was the intent of the Congress that
5 additional public funds be appropriated by the legislature to supplement
6 the proceeds and income from the land grant if those proceeds and income
7 are insufficient to meet the necessary expenses of the mental health pro-
8 gram of Alaska;

9 (5) if the proceeds and income from the 1,000,000-acre land
10 grant exceed the necessary expenses of the mental health program of Alaska,
11 the Congress authorized the legislature to appropriate the excess proceeds
12 and income for other public purposes;

13 (6) because of the highly desirable location and character of
14 much of the land selected by the state under the Act, for example, in and
15 around major population centers, suitable for parks and game refuges, and
16 other uses, and the difficulties associated with disposing of or dedicating
17 the land for purposes that would not result in the receipt of funds that
18 could be used for mental health purposes, for example, satisfaction of
19 municipal entitlements, placement in parks and game refuges, and other
20 uses, without compensation to the trust, the Tenth Alaska State Legislature
21 enacted ch. 181 and 182, SLA 1978, which, among other things, redesignated
22 all mental health lands as general grant lands;

23 (7) both ch. 181 and 182, SLA 1978, also created the mental
24 health fund into which, as compensation to the trust, a sum equal to one
25 and one-half percent of all revenue received from the management of state
26 land was to be deposited and from which only the income could be appro-
27 priated exclusively for mental health purposes;

28 (8) a significant difference between ch. 181 and 182, SLA 1978,
29 was that ch. 182 made the deposit of one and one-half percent of all public

1 land revenue into the mental health fund "subject to legislative appropri-
2 ation of sufficient funds";

3 (9) because ch. 182, SLA 1978 became law after ch. 181, SLA 1978
4 became law, the provisions of ch. 182, SLA 1978 have been considered con-
5 trolling, including specifically the provision that deposits to the mental
6 health fund would be "subject to legislative appropriation of sufficient
7 funds";

8 (10) the legislature has never appropriated funds to the mental
9 health fund;

10 (11) a class-action lawsuit, Weiss v. State, 4FA-82-2208, was
11 filed on November 26, 1982, seeking a judicial determination that the
12 Alaska Mental Health Enabling Act had established a "public trust" under
13 which the state had received the 1,000,000-acre land grant, that the 1978
14 legislation redesignating mental health land as general grant land was a
15 breach of that trust, and that the appropriate remedy was to invalidate the
16 1978 legislation and return mental health land to trust status;

17 (12) in State v. Weiss, 706 P.2d 681 (Alaska 1985), the Alaska
18 Supreme Court held that the Alaska Mental Health Enabling Act established a
19 public trust, that the 1978 legislation redesignating mental health land as
20 general grant land was a breach of the trust, and that the appropriate
21 remedy was to return mental health land still in state ownership to trust
22 status and, for mental health land that the state had "sold" between 1978
23 and the date of the court's decision, to compensate the trust for the fair
24 market value of mental health land so "sold" as of the date of their
25 "sale," subject to a set-off for state mental health expenditures during
26 the same period;

27 (13) while the court returned mental health land to trust status,
28 it did not specify the nature of the state's obligations with respect to
29 managing the trust land, leaving significant questions unanswered that may

1 require additional costly and time-consuming litigation;

2 (14) continued costly and time-consuming litigation over mental
3 health trust land management is not in the public interest because it
4 diverts attention from the goal the Congress sought to achieve through the
5 Act's land grant, the funding of a mental health program;

6 (15) continued costly and time-consuming litigation over mental
7 health trust land management is not in the public interest because it has
8 the potential to be extremely divisive, pitting the advocates of stringent
9 mental health trust land management against those who envision state-owned
10 mental health land managed for its highest and best use, including convey-
11 ance to municipalities in satisfaction of municipal entitlements, placement
12 in parks and game refuges, and other uses, without a major expenditure to
13 compensate the mental health trust for the fair market value of the land;

14 (16) continued costly and time-consuming litigation over mental
15 health trust land management is not in the public interest because advo-
16 cates of stringent mental health trust land management may seek the in-
17 validation of state conveyances of mental health land to third parties,
18 particularly municipalities and Native corporations organized under the
19 Alaska Native Claims Settlement Act, a course of action that at best will
20 place a cloud on the third parties' title to those lands and at worst will
21 result in those third parties losing title to their lands, causing economic
22 and other harm and further dividing those who advocate stringent mental
23 health trust land management from those who believe all state-owned land,
24 including mental health land, should be managed for its highest and best
25 use;

26 (17) continued costly and time-consuming litigation over mental
27 health trust land management is not in the public interest because advo-
28 cates of stringent mental health trust land management may seek the in-
29 validation of legislative designations of mental health land as state

1 parks, state game refuges, state forests, etc., placing the future use of
2 the land for the designated purposes in doubt and further dividing those
3 who advocate stringent mental health trust land management from those who
4 believe all state-owned land, including mental health land, should be
5 managed for its highest and best use;

6 (18) the failure of the Alaska Legislature to deal with the
7 current situation by properly reconstituting the mental health trust at
8 this time will lead to continued costly, time-consuming, and divisive liti-
9 gation, which is not in the public interest;

10 (19) the same problems that led to the 1978 redesignation of
11 mental health land as general grant land, for example, the desirability of
12 managing mental health land for its highest and best use, including the
13 satisfaction of municipal entitlements, inclusion in parks and game ref-
14 uges, will continue to pose difficulties in the state's efforts to accom-
15 modate the public's needs generally with the obligation to administer
16 mental health land as a trust;

17 (20) under art. VIII, sec. 2, Constitution of the State of
18 Alaska, as construed by the Alaska Supreme Court in State v. University of
19 Alaska, 624 P.2d 807 (1981), the legislature has the authority to remove
20 land from trust status if the trust is compensated for the fair market
21 value of the land;

22 (21) the state is not now, and in the foreseeable future will not
23 be, in a position to compensate the mental health trust in money for the
24 fair market value of mental health land;

25 (22) even if the state were able to compensate the mental health
26 trust in money for the fair market value of mental health land, there is a
27 substantial legal question whether that compensation, as the corpus of the
28 trust, could be preserved in perpetuity or whether the prohibition on
29 dedicated funds in art. IX, sec. 7, Constitution of the State of Alaska,

1 would require that those funds be made available for appropriation by the
2 legislature under the terms of the Alaska Mental Health Enabling Act;

3 (23) under art. VIII, sec. 2, Constitution of the State of
4 Alaska, and subsection 202(e) of the Alaska Mental Health Enabling Act, the
5 legislature has broad authority over all state land, including mental
6 health land, and can permissibly remove mental health land from trust
7 status if, consistent with its trust responsibilities, it simultaneously
8 designates other state land of equivalent value as mental health land;

9 (24) the Congress' goal of funding a mental health program, and
10 the public interest in having attention focused on the problems of the
11 mentally ill and not questions regarding mental health trust land manage-
12 ment, will be best served by establishing a mechanism for generating reve-
13 nue from mental health land that minimizes the number and complexity of
14 related land management decisions;

15 (25) reconstituting the mental health trust with state land that
16 has a substantial likelihood of remaining in state ownership in perpetuity,
17 and compensating the mental health trust for state use of that land through
18 annual identification of an amount of state general fund revenue equal to
19 the fair market rental value of the land as a separate account in the
20 general fund, would minimize the number and complexity of land management
21 decisions and would result in the following benefits to the mental health
22 trust:

23 (A) it would ensure that the mental health trust corpus
24 will be preserved in perpetuity;

25 (B) it would reconstitute a mental health trust corpus
26 equal in value to the original 1,000,000-acre mental health trust
27 corpus, with no reduction (in the nature of a set-off) for state
28 mental health expenditures;

29 (C) it would make the entire mental health trust corpus

1 productive in that each acre of mental health trust land would produce
2 its fair market rental value annually;

3 (D) the mental health trust would not incur administrative
4 expenses;

5 (E) it would focus attention on questions related to the
6 state's mental health programs and the levels of appropriations for
7 those programs;

8 (26) reconstituting the mental health trust with state land that
9 has a substantial probability of remaining in state ownership in perpetuity
10 would result in the following benefits to the state generally:

11 (A) it would free all mental health land not in legisla-
12 tively designated areas for nontrust uses;

13 (B) the only significant expenditure of public funds that
14 would be required would be appropriations for appraisal of the land to
15 ensure equal value, an expenditure that would be required no matter
16 what form of trust reconstitution is selected; and

17 (C) it would establish an additional safeguard against
18 disposal of the newly designated mental health trust land, that is,
19 those in legislatively designated areas, in that, prior to such dis-
20 posal, equal value replacement land would have to be identified and
21 redesignated as trust land;

22 (27) the legislature will best serve the public interest by
23 reconstituting the mental health trust with land in legislatively des-
24 ignated areas, continuing to use that land for the legislatively designated
25 purposes, compensating the trust for the use of the land through annual
26 identification of an amount of general fund revenue equal to the fair
27 market rental value of the land and designation in the general fund of that
28 amount of funds as the special mental health trust income account, and
29 creating a board to assist and advise the legislative and executive

1 branches of government on matters relating to the mental health program of
2 Alaska.

3 (b) The purposes of this Act are

4 (1) to implement the intent of the Congress underlying sec. 202
5 of the Alaska Mental Health Enabling Act that mental health land be admin-
6 istered in a way that makes funds available for the support of Alaska's
7 mental health program;

8 (2) to the extent practicable, to eliminate the need for costly,
9 time-consuming and divisive litigation over the state's management of
10 mental health land;

11 (3) to ensure that the attention of the public and the govern-
12 ment is focused on mental health programs, as contemplated by the Congress,
13 and not on issues relating to the management of mental health land;

14 (4) to reconstitute a mental health land trust through identi-
15 fication of land in legislatively designated areas that is equal in value
16 to the land selected by and patented to the state under sec. 202 of the
17 Alaska Mental Health Enabling Act;

18 (5) to remove from trust status the land selected by and pat-
19 ented to the state under sec. 202 of the Alaska Mental Health Enabling Act
20 that is not in legislative designated areas, thereby freeing them for other
21 uses;

22 (6) to validate each deed, contract for sale, lease, easement,
23 right-of-way, permit, mineral lease disposal, reservation of land for
24 public use by statute, or land management actions, including use classi-
25 fications under AS 38.05.300 and interagency land management assignments by
26 the Department of Natural Resources, that may have been called into ques-
27 tion by the Supreme Court's decision in State v. Weiss, 706 P.2d 681
28 (Alaska 1985), returning mental health land to trust status;

29 (7) to identify a portion of annual state general fund revenue,

1 equal in amount to the fair market rental value of mental health land, as
2 compensation to the trust for the continued use of the land in legisla-
3 tively designated areas for the legislatively designated purposes; and

4 (8) to create a board to assist and advise the legislative and
5 executive branches of government on matters relating to the mental health
6 program of Alaska.

7 * Sec. 2. AS 37.14 is amended by adding a new section to read:

8 Sec. 37.14.011. MENTAL HEALTH TRUST INCOME ACCOUNT. (a) There
9 is established, as a separate account in the general fund, the mental
10 health trust income account.

11 (b) The amount determined under (c) of this section as the fair
12 market rental of the land constituting the mental health trust corpus
13 is the earnings of the trust and the commissioner of revenue annually
14 shall allocate that amount to the mental health trust income account.

15 (c) The fair market rental value of the land constituting the
16 mental health trust corpus is equal to eight percent of the fair
17 market value of the land. Following the initial determination of the
18 fair market value of the land selected by and patented to the state
19 under sec. 202 of the Alaska Mental Health Enabling Act, the com-
20 missioner of natural resources shall redetermine the fair market value
21 of the land constituting the mental health trust corpus at least every
22 five years, and provide the redetermined value to the commissioner of
23 revenue and the board established under AS 47.30.661.

24 * Sec. 3. AS 37.14 is amended by adding a new section to read:

25 Sec. 37.14.021. UTILIZATION OF THE MENTAL HEALTH TRUST INCOME
26 ACCOUNT. Money in the mental health trust income account established
27 in AS 37.14.011(a) shall first be appropriated by the legislature to
28 meet the necessary expenses of the mental health program of the state.
29 In making annual appropriations from the mental health trust income

1 account, the legislature shall consider the recommendations of the
2 Alaska Mental Health Board established under AS 47.30.661, including
3 recommendations regarding capital improvements. After the necessary
4 expenses of the state's mental health program have been funded, the
5 legislature may make appropriations from the mental health trust
6 income account for other public purposes.

7 * Sec. 4. AS 38.05 is amended by adding a new section to article 11 to
8 read:

9 Sec. 38.05.800. RECONSTITUTION AND ADMINISTRATION OF MENTAL
10 HEALTH LAND TRUST. (a) The commissioner of natural resources, under
11 procedures approved by the interim mental health trust commission,
12 shall determine the fair market value, as of the effective date of
13 this Act, of all land selected by and patented to the state under the
14 Alaska Mental Health Enabling Act. The commissioner shall report the
15 determination of that value to the board established under AS 47.30.-
16 661.

17 (b) The commissioner of natural resources, with the approval of
18 the interim mental health trust commission, shall identify land within
19 legislative designations that is equal in value to all land selected
20 by and patented to the state under sec. 202 of the Alaska Mental
21 Health Enabling Act that is not in legislative designations.

22 (c) All land selected by and patented to the state under the
23 Alaska Mental Health Enabling Act that is within legislative desig-
24 nations, together with all land identified by the commissioner under
25 (b) of this section, constitutes the corpus of the mental health lands
26 trust.

27 (d) Upon reconstitution of the trust under this subsection, land
28 selected by and patented to the state under sec. 202 of the Alaska
29 Mental Health Enabling Act that is not within legislative designations

1 is removed from trust status.

2 (e) The land within legislative designations that constitutes
3 the mental health land trust shall continue to be administered for the
4 legislatively designated purposes. The trust shall be compensated for
5 the continued use of the mental health trust land for the legisla-
6 tively designated purposes as provided in AS 37.14.011.

7 (f) Before the state may remove land that is part of the mental
8 health trust corpus from trust status, and in addition to any other
9 requirements of law, the commissioner of natural resources, consistent
10 with the state's trust responsibilities, shall identify replacement
11 land, equal in value at the time of replacement, within legislative
12 designations and incorporate them into the mental health trust corpus.
13 The commissioner of natural resources annually shall report any
14 actions under this subsection to the board established under AS 47.-
15 30.661.

16 * Sec. 5. AS 39.25.120(c)(9) is amended by adding a new subparagraph to
17 read:

18 (L) Alaska Mental Health Board;

19 * Sec. 6. AS 47.30 is amended by adding new sections to read:

20 Sec. 47.30.661. ALASKA MENTAL HEALTH BOARD. The Alaska Mental
21 Health Board is established. For budgetary purposes, the board is
22 located within the Department of Health and Social Services. The
23 board is the state planning and coordinating agency for the purposes
24 of federal and state laws relating to the mental health program of the
25 state. The purpose of the board is to assist the state in ensuring an
26 integrated comprehensive mental health program.

27 Sec. 47.30.662. COMPOSITION. (a) The board consists of the
28 commissioner of health and social services, or the commissioner's
29 designee, and not fewer than nine nor more than 12 other members,

1 appointed by the governor, with due regard for balanced geographic
2 representation of the state.

3 (b) At least one-third of the members shall be consumers of
4 mental health services, or parents or guardians of consumers.

5 (c) At least one-third of the members shall be either public or
6 private providers of mental health services.

7 (d) The remaining members shall be representatives of the public
8 at large.

9 Sec. 47.30.663. TERM OF OFFICE. (a) Board members serve
10 staggered terms of three years.

11 (b) A vacancy occurring in the membership of the board shall be
12 filled by appointment of the governor for the unexpired portion of the
13 vacated term.

14 (c) Members may be removed only for cause, including, but not
15 limited to, poor attendance or lack of contribution to the board's
16 work.

17 Sec. 47.30.664. OFFICERS AND STAFF. (a) The board, by a major-
18 ity of its membership, shall annually elect a chair and other officers
19 it considers necessary from among its membership.

20 (b) The board will have a paid staff provided by the Department
21 of Health and Social Services, including, but not limited to, an
22 executive director who shall be selected by the board from candidates
23 provided by the department. The executive director is in the partial-
24 ly exempt service and may hire additional employees in the classified
25 service of the state. The executive director and the staff of the
26 board shall be directly responsible to the board in the performance of
27 their duties.

28 Sec. 47.30.665. BYLAWS. The board, on approval of a majority of
29 its membership and consistent with state law, shall adopt and amend

1 bylaws governing its composition, proceedings, and other activities
2 consistent with state law and including, but not limited to, pro-
3 visions concerning a quorum to transact board business and other
4 aspects of procedure, frequency and location of meetings, and estab-
5 lishment, functions, and membership of committees.

6 Sec. 47.30.666. POWERS, DUTIES, AND RESPONSIBILITIES OF THE
7 BOARD. The board shall

8 (1) measure the extent of the mental health need and, as
9 necessary, conduct independent studies, evaluate the statewide mental
10 health information system, and review the current mental health pro-
11 gram of the state;

12 (2) provide a public forum for discussion of issues regard-
13 ing current and potential services to persons served by the mental
14 health program of the state;

15 (3) determine the needs, including those currently unmet,
16 of the persons to be served by the mental health program of the state;

17 (4) review reports from the Department of Natural Resources
18 regarding the valuation of the mental health land trust and the status
19 of mental health trust land, from the Department of Revenue regarding
20 allocations to the mental health income account, and from other de-
21 partments regarding the current and projected revenue for the support
22 of the mental health program of the state;

23 (5) subject to disclosure restrictions imposed by state or
24 federal confidentiality or privacy laws, have access to information in
25 the possession of state agencies;

26 (6) in conjunction with the Department of Health and Social
27 Services, prepare and annually update a long-term comprehensive state
28 mental health plan, to include the projected need and the services,
29 facilities, and resources for the mental health program of the state

1 to meet that need;

2 (7) in conjunction with the Department of Health and Social
3 Services, develop, prepare, adopt, and periodically review and revise
4 as necessary an annual state implementation plan to meet the needs of
5 persons served by the mental health program of the state;

6 (8) in conjunction with the Department of Health and Social
7 Services, and before developing the annual state implementation plan,
8 evaluate the effectiveness of the prior year's implementation plan and
9 evaluate program performance and recommend improvements, set priori-
10 ties, and establish criteria to utilize in funding allocations;

11 (9) report at least annually to the legislature, governor,
12 and commissioner of health and social services, and meet with appro-
13 priate legislative committees, concerning the board's activities,
14 including its evaluation of the effectiveness of the prior year's
15 implementation plan, and its recommendations to meet the necessary
16 operating and capital expenses of the mental health program of the
17 state;

18 (10) serve as an advocate before the executive and legisla-
19 tive branches of government and the public on behalf of those served
20 by the mental health program of the state;

21 (11) discourage duplication of services and promote effi-
22 cient and coordinated use of federal, state, and private resources in
23 the provision of mental health services; and

24 (12) review applicable statutes, regulations, and policies
25 and recommend appropriate changes.

26 Sec. 47.30.669. DEFINITION. In AS 47.30.661 - 47.30.669,
27 "board" means the Alaska Mental Health Board established in AS 47.30.-
28 661.

29 * Sec. 7. Section 1(b), ch. 132, SLA 1986, is amended to read:

1 (b) The commission established under (a) of this section con-
2 sists of three [FIVE] members, including the commissioner of natural
3 resources, or the commissioner's designee [AND THE COMMISSIONER OF
4 HEALTH AND SOCIAL SERVICES, OR THEIR DESIGNEES], and two [THREE]
5 members and two [THREE] alternates [APPOINTED BY THE GOVERNOR] as
6 follows:

7 (1) a member and an alternate representing the plaintiffs
8 who were [,] appointed by the governor from a list of three names
9 submitted to the governor by the plaintiffs in Weiss v. State, 4 FA
10 82-2208 Civil;

11 (2) a member and an alternate representing the intervenors
12 who were [,] appointed by the governor from a list of three names
13 submitted to the governor by the intervenors in Weiss v. State, 4 FA
14 82-2208 Civil [; AND

15 (3) A MEMBER AND AN ALTERNATE REPRESENTING THE GOVERNOR'S
16 MENTAL HEALTH ADVISORY COUNCIL, APPOINTED BY THE GOVERNOR FROM A LIST
17 OF THREE NAMES SUBMITTED TO THE GOVERNOR BY THE GOVERNOR'S MENTAL
18 HEALTH ADVISORY COUNCIL].

19 * Sec. 8. Section 1(c), ch. 132, SLA 1986, is amended to read:

20 (c) The members of the commission shall elect a presiding offi-
21 cer. A majority of the commission constitutes a quorum. The affirma-
22 tive vote of two [THREE] members is required to take official action.
23 A vacancy does not impair the power of the remaining members to exer-
24 cise the powers of the commission.

25 * Sec. 9. Section 2, ch. 132, SLA 1986, is repealed and reenacted to
26 read:

27 Sec. 2. RESPONSIBILITIES OF THE COMMISSION. (a) The commission
28 shall review procedures proposed by the commissioner of natural re-
29 sources to determine the fair market value, as of the effective date

1 of this Act, of all land selected by and patented to the state under
2 sec. 202 of the Alaska Mental Health Enabling Act, and review the
3 final determination of the fair market value determined under those
4 procedures.

5 (b) The commission shall review the identification by the com-
6 missioner of natural resources under AS 38.05.800 of land within
7 legislative designations that is equal in value to all land selected
8 by and patented to the state under sec. 202 of the Alaska Mental
9 Health Enabling Act that is not in legislative designations.

10 (c) In the exercise of the commission's responsibilities under
11 this section, the commission and its staff may review the records of
12 the Department of Natural Resources that are made confidential by law
13 or regulation. An individual who acquires information made confiden-
14 tial by law or regulation in the performance of functions authorized
15 by this Act and discloses it without proper authority violates AS 11.-
16 56.860.

17 * Sec. 10. Section 6, ch. 132, SLA 1986, is repealed and reenacted to
18 read:

19 Sec. 6. This Act is repealed on the certification of the commis-
20 sioner of natural resources that the mental health land trust has been
21 reconstituted under AS 38.05.800 to

22 (1) the Alaska Mental Health Board established under
23 AS 47.30.661;

24 (2) the lieutenant governor; and

25 (3) the revisor of statutes.

26 * Sec. 11. TRANSITIONAL PROVISIONS. Beginning in fiscal year 1989, and
27 continuing until the commissioner of natural resources certifies to the
28 commissioner of revenue that the mental health land trust has been recon-
29 stituted under AS 38.05.800, as enacted in sec. 4 of this Act, the

1 commissioner of revenue shall make allocations to the mental health trust
2 income account so that the total of allocations during the year equals five
3 percent of all revenue received by the state's general fund during that
4 fiscal year.

5 * Sec. 12. Notwithstanding AS 47.30.663(a), as added by sec. 6 of this
6 Act, of the initial appointees to the Alaska Mental Health Board appointed
7 under AS 47.30.662, as added by sec. 6 of this Act, one-third shall serve
8 for one year terms, one-third shall serve for two year terms, and one-third
9 for three year terms.

10 * Sec. 13. AS 37.14.010, 37.14.020, 37.14.030, 37.14.040, 37.14.050;
11 AS 47.30.605; and sec. 3, ch. 132, SLA 1986, are repealed.

12 * Sec. 14. This Act takes effect July 1, 1987.
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Introduced: 2/2/87
Referred: Health, Education and Social
Services, Judiciary and Finance

5-0525A

1 IN THE SENATE

BY HALFORD BY REQUEST OF
THE JOINT SPECIAL COMMITTEE
ON MENTAL HEALTH TRUST LAND

2 SENATE BILL NO. 96

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act implementing a settlement relating to the
7 federally created mental health trust; and providing
8 for an effective date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 * Section 1. FINDINGS AND PURPOSE. (a) The legislature finds that:

11 (1) the United States Congress passed the Alaska Mental Health
12 Enabling Act of 1956, P.L. 84-830, 70 Stat. 709, to "confer upon Alaska
13 autonomy in the field of mental health, transfer from the Federal Govern-
14 ment to the Territory the fiscal and functional responsibility for the
15 hospitalization of committed mental patients, and for other purposes";

16 (2) in sec. 202 of the Alaska Mental Health Enabling Act, Con-
17 gress granted the territory the right to select up to 1,000,000 acres of
18 federal land to serve as a source of funds to support the territory's
19 mental health program;

20 (3) in subsection 202(e), Congress specifically provided that
21 the land granted and the proceeds and income from dispositions of the land
22 were to be administered as "a public trust and such proceeds and income
23 shall first be applied to meet the necessary expenses of the mental health
24 program of Alaska";

25 (4) the Tenth Alaska State Legislature, in enacting ch. 181 and
26 182, SLA 1978, redesignated all mental health land as general grant land
27 and compensated the mental health trust for the value of the land by creat-
28 ing the mental health fund into which a sum equal to one and one-half
29 percent of all revenue received from the management of state land was to be
S

1 deposited and from which the income was to be appropriated for mental
2 health programs;

3 (5) no funds were ever deposited in this account;

4 (6) a lawsuit, Weiss v. State, 4FA-82-2208, filed on Novem-
5 ber 26, 1982, sought a judicial determination that the 1,000,000 acres
6 received by the state under the Alaska Mental Health Enabling Act were
7 received as a public trust and that the 1978 legislation redesignating the
8 mental health trust land as general grant land breached the trust;

9 (7) the Alaska Supreme Court held in State v. Weiss, 706 P.2d
10 681 (1985) that the Alaska Mental Health Enabling Act established a public
11 trust, that the 1978 legislation redesignating mental health land as
12 general grant land was a breach of that trust, and that the appropriate
13 remedy was to return mental health land still in state ownership to trust
14 status and to compensate the trust for the fair market value of mental
15 health land disposed of between 1978 and the date of the court's decision
16 subject to a set-off for state mental health expenditures during the same
17 period;

18 (8) while the Alaska Supreme Court returned mental health land
19 to trust status, the decision of the Supreme Court left unanswered signifi-
20 cant questions that may require additional costly and time-consuming liti-
21 gation;

22 (9) further litigation over mental health land management is not
23 in the public interest because it diverts attention from the funding of the
24 mental health program, which was the goal of the Congress in the enactment
25 of the Enabling Act, because it has the potential to be extremely divisive
26 because of incompatibilities between current land use and general trust
27 management principles, and because of transfers of mental health land to
28 third parties;

29 (10) the goal of the Congress in funding a mental health program

1 and the public interest in addressing mental health problems in the state
2 will be better achieved by establishing a reasonable mechanism for funding
3 mental health programs independent of the management of mental health land;

4 (11) subsection 202(e) of the Enabling Act specifically provides
5 that land granted under the Act "may be sold, leased, mortgaged, exchanged,
6 or otherwise disposed of in such manner as the Legislature of Alaska may
7 provide, in order to obtain funds or other property to be invested, ex-
8 pended, or used" as provided in the Act; and

9 (12) the legislature will best serve the public interest by
10 exercising its authority under subsection 202(e) of the Enabling Act to
11 dispose of mental health land by removing it from trust status and by
12 simultaneously redesignating it as general grant land in order to obtain
13 funds to be expended as provided in the Enabling Act, and to compensate the
14 mental health trust for the value of the land removed from the trust
15 through the establishment of a special account in the general fund of the
16 state composed of five percent of all revenue received by the state general
17 fund during each fiscal year.

18 (b) The purposes of this Act are to

19 (1) establish a funding source for the mental health trust to
20 take the place of the land trust established in the Alaska Mental Health
21 Enabling Act as authorized in subsection 202(e) of the Enabling Act and in
22 the exercise of the power of the Legislature under art. VIII, sec. 2, of
23 the Alaska Constitution;

24 (2) eliminate, to the extent practicable, the need for costly,
25 time-consuming, and divisive litigation over the management of the mental
26 health land;

27 (3) ensure that the attention of the public and the government
28 is focused on mental health programs as contemplated by Congress and not on
29 issues related to the management of the mental health land;

1 (4) satisfy the public interest in removing state-owned mental
2 health land from its trust status so that the land may be managed for its
3 highest and best use without regard to the maximum generation of income to
4 the trust; and

5 (5) replace the original mental health corpus with a permanent
6 direct funding source while, at the same time, pledging state assets for
7 use in reconstituting the trust corpus if the state should fail to estab-
8 lish the funding source.

9 * Sec. 2. AS 37.14 is amended by adding new sections to read:

10 ARTICLE 1. SPECIAL MENTAL HEALTH ACCOUNT.

11 Sec. 37.14.011. SPECIAL MENTAL HEALTH ACCOUNT ESTABLISHED. (a)

12 The special mental health account is established in the general fund
13 of the state.

14 (b) During each fiscal year, the commissioner of revenue shall
15 make deposits into the special mental health account so that the total
16 of deposits during the year equals five percent of all revenue re-
17 ceived by the state general fund during that fiscal year.

18 Sec. 37.14.021. UTILIZATION OF THE SPECIAL MENTAL HEALTH AC-
19 COUNT. Money in the special mental health account established in
20 AS 37.14.011(a) shall first be appropriated by the legislature to meet
21 the necessary expenses of the mental health program in the state. In
22 making annual appropriations from the special mental health account,
23 the legislature shall consider the recommendations of the Mental
24 Health Board established under AS 37.14.041. After mental health
25 programs have been funded, the legislature may appropriate for other
26 purposes as determined by the legislature.

27 Sec. 37.14.031. PLEDGE OF STATE ASSETS. (a) Notwithstanding
28 AS 09.50.270, the general assets of the state may be executed upon to
29 the extent necessary to reconstitute the mental health trust

1 recognized by the Alaska Supreme Court in State v. Weiss, 705 P.2d 681
2 (Alaska 1985) if the commissioner of revenue fails to make the de-
3 posits required by AS 37.14.011 or if the legislature fails to make
4 the appropriations required by AS 37.14.021.

5 (b) If an execution occurs under (a) of this section, state
6 assets shall be executed upon in a prioritized order as provided by
7 law.

8 Sec. 37.14.041. MENTAL HEALTH BOARD ESTABLISHED. (a) The
9 Mental Health Board is established in the Department of Health and
10 Social Services. The board is composed of the commissioner of health
11 and social services, or a designee of the commissioner, and four
12 public members appointed by the governor. The appointments shall be
13 made from a list of nominees prepared by statewide or regional groups
14 interested in mental health, including groups representing both pro-
15 fessional providers and clients.

16 (b) The members of the Mental Health Board shall elect from its
17 membership a presiding officer. Members of the board serve without
18 compensation but are entitled to travel expenses and per diem au-
19 thorized for members of boards under AS 39.20.180.

20 (c) The Mental Health Board may meet frequently. The board may
21 use the teleconference facilities of the state for its meetings.

22 Sec. 37.14.051. POWERS AND DUTIES OF THE MENTAL HEALTH BOARD.
23 The Mental Health Board shall

24 (1) recommend legislation and funding levels necessary to
25 meet the needs of the mental health program of the state;

26 (2) submit a report to the legislature by the 10th day of
27 each regular session on the use and expenditure of funds in the spe-
28 cial mental health account established under AS 37.14.011.

29 * Sec. 3. AS 37.14.160 is amended to read:

1 Sec. 37.14.160. DUTIES OF COMMISSIONER OF REVENUE. The commis-
2 sioner of revenue is the treasurer of the funds created in AS 37.14.-
3 011 [AS 37.14.010] and 37.14.110 and shall

4 (1) act as official custodian of the cash and securities
5 belonging to those funds and provide adequate safe deposit facilities
6 for each of them;

7 (2) receive cash belonging to those funds;

8 (3) collect the principal on securities acquired for each
9 fund established under AS 37.14.011 [AS 37.14.010] and 37.14.110 and
10 credit each fund accordingly;

11 (4) collect interest and dividends earned on investments of
12 the funds established under AS 37.14.011 [AS 37.14.010] and 37.14.110
13 and credit the income reserve account of each fund accordingly;

14 (5) invest and reinvest the principal of each fund in
15 accordance with AS 37.14.170.

16 * Sec. 4. AS 37.14.170(a) is amended to read:

17 (a) The commissioner of revenue, with the approval of each
18 advisory board created in AS 37.14.041 [AS 37.14.020] and 37.14.120,
19 may invest the principal of the funds created in AS 37.14.011 [AS 37.-
20 14.010] and 37.14.110 in the same manner as specified for the invest-
21 ment of surplus pension funds under AS 39.35.110.

22 * Sec. 5. AS 38.05 is amended by adding a new section to read:

23 Sec. 38.05.815. REMOVAL FROM TRUST STATUS AND REDESIGNATION OF
24 MENTAL HEALTH LAND. Land granted to the state under the Mental Health
25 Enabling Act of 1956, 70 Stat. 709, and patented to or approved for
26 patent to the state, and land designated as mental health land that
27 was received by the state in exchange for land granted under that
28 federal Act, is redesignated as general grant land and shall be
29 managed and disposed of by the Department of Natural Resources under

1 applicable provisions of law.

2 * Sec. 6. LEGISLATIVE INTENT. The redesignation of mental health land
3 in AS 38.05.815, as enacted by sec. 5 of this Act, is intended to validate
4 each deed, contract for sale, lease, easement, right-of-way, permit,
5 mineral lease disposal, reservation of land for public use by statute, or
6 land management actions, including use classifications under AS 38.05.300
7 and interagency land management assignments by the Department of Natural
8 Resources that may have been called into question by the Supreme Court's
9 decision in State v. Weiss, 706 P.2d 681 (Alaska 1985) returning mental
10 health land to trust status.

11 * Sec. 7. AS 37.14.010, 37.14.020, 37.14.030, 37.14.040, and 37.14.050
12 are repealed.

13 * Sec. 8. This Act takes effect immediately under AS 01.10.070(c).
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**STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE**

REQUEST: _____

Bill Version: CS SB 96 (Hess)
Publish Date: 4-21-87

Revision Date: _____
Title: _____

Agency Affected: DHSS/DHDD
BRU: Inst. & Administration

Sponsor: _____
Requestor: _____

Components: Mental Health Admin.

Beane

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES		140.1	140.1	140.1	140.1	140.1
TRAVEL		38.0	38.0	38.0	38.0	38.0
CONTRACTUAL		78.8	78.8	78.8	73.8	78.8
SUPPLIES		1.8	1.8	1.3	1.3	1.8
EQUIPMENT		9.0	0	0	0	0
LAND & STRUCTURES		0	0	0	0	0
GRANTS, CLAIMS		0	0	0	0	0
MISCELLANEOUS		0	0	0	0	0
TOTAL OPERATING	0	267.7	267.7	267.7	267.7	267.7

CAPITAL	0	0	0	0	0	0
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REVENUE	0	0	0	0	0	0
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FUNDING: (Thousands of Dollars)

GENERAL FUND		267.7	267.7	267.7	267.7	267.7
FEDERAL FUNDS						
OTHER						
TOTAL		267.7	267.7	267.7	267.7	267.7

POSITIONS:

FULL-TIME		3	3	3	3	3
PART-TIME						
TEMPORARY						

ANALYSIS :

Prepared by: Mel Henry, Director
Division: Mental Health & Dev. Disabilities

Phone: 465-3370
Date: 4/4/87

Approved by Commissioner: Marya M. Morrison
Agency: Department of Health & Social Services

Date: 4/6/87

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)
- Senate Secretary

FISCAL NOTE

CSB 96 HBSS
~~HB 91 #1~~

Mental Health Board

Personnel Services:

one (1) Mental Health Board Coord.	Range 22	\$ 63,900
one (1) Research Analyst III	Range 18	49,157
one (1) Clerk Typist III	Range 8	27,004
		<u>\$140,061</u>

Travel:

*Board travel and per diem 4 meetings/year X 6,000/meeting =		\$ 24,000
Staff travel 7000/per prof. staff X 2 =		14,000
		<u>\$ 38,000</u>

Contractual:

Phone, copying, printing, advertizing		\$ 8,000
Professional Services		50,000
Lease space 519 sq. ft. X 2.57 sq. ft./mo X 12 mo. =		16,000
Computer hook up 1600 X 3		4,800
		<u>\$ 78,800</u>

Supplies:

50/mo. X 12 X 3 staff		<u>\$ 1,800</u>
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Equipment:

3 Personal Computers 3000 X 3 =		\$ 9,000
3 Printers		
Software		

TOTAL		<u>\$267,661</u>
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*The amount of \$10.0 is also available from the DMHDD/s budget.

CSRB 96 HES
~~HB 91~~

FISCAL NOTE #1

Mental Health Board

House Bill 91 (CMI) recommends the establishment of a statewide Mental Health Board that would influence the actions and directions of the Department of Health and Social Services in attaining the overall mission of the mental health system in Alaska. The duties and responsibilities of the existing Governor's Mental Health Advisory Council (Sec. 47.30.605) would be absorbed and expanded by this new board structure.

Modeled after the Governor's Council for the Handicapped and Gifted (Sec. 47.80.030), the attached document describes the functions and responsibilities of the new board. Although advisory in scope, this Board will be significantly more influential than the "old" Council with respect to legislative/executive advocacy, impact on departmental policies, regulations and procedures, budget and program oversight, short and long range planning and quality assurance.

In order to effectively accomplish its goals and objectives, the Mental Health Board will be staffed by three full time professional and clerical staff. The Senior staff position, the Executive Director, will be partially exempt, and be hired by the balance of candidates submitted by the Commissioner. The remaining staff will be hired through the classified service by the Executive Director. Although the staff will be employees of

Back-up CSRB 96 HES

the Department of Health and Social Services, Division of Mental Health and Developmental Disabilities, and be guided by the policies and procedures of the Department, they will be directly responsible to the Board for their assignments and performance. They will work directly for the Board and not the Department. Ideally, the staff should be located in the Division of Mental Health and Developmental Disabilities regional office in Anchorage.

The staff for the Board will comprise three permanent full time employees:

- (1) Executive Director (Range 22). This person, a Mental Health Clinician or a Health Planner, would have responsibility for working directly with the Board to accomplish its mission, the overall coordination and supervision of the office, and coordinating and collaborating with the Department. In addition to the established requirements of a Mental Health Clinician III or a Health Planner, this individual must possess special knowledge in the areas of mental health administration and supervision, planning, research, program monitoring and evaluation, skills in oral and written communication, broad knowledge of Alaska's mental health system (including the private sector), previous experience in working with advisory or governing boards, and skilled at interagency coordination, collaboration and cooperation.

- (2) Research Analyst III (Range 18) who would have responsibility for planning and social indication forecasting, designing and conducting independent research and studies, collecting and analyzing data, providing reports and analysis for both policy and management recommendations. Ability to interface with the private sector is important.

- (3) Clerk Typist III (Range 8) will provide secretarial support to the two professional staff and the Board.

FACT SHEET - MENTAL HEALTH LEGISLATION

HB 92/SB 96 - Mental Health Trust Lands Settlement

BACKGROUND:

In 1956, the U.S. Congress gave the Territory of Alaska approval to select 1 million acres of federal land to create a "trust" -- the income of which was first to be used "to fund the necessary expenses of the mental health program of Alaska."

Although the Territory and State selected the million acres, no income from the acreage was ever identified for mental health uses.

In 1978, the legislature passed a law redesignating mental health trust lands as general grant lands. The law established a trust fund for mental health programs and specified that 1.5% of the annual receipts from all state land would go to the fund.

No appropriations were ever made into the fund.

In 1982 a suit was filed in Fairbanks Superior Court on behalf of Carl Weiss, a seven-year-old boy from Nenana and Earl Hilliker, a Fairbanks resident. Weiss v. State of Alaska contended that the plaintiffs were in need of mental health services which were not available in Alaska. They questioned the constitutionality of the 1978 law which abolished the land trust.

The court, in 1984, stated that the million acres of land was, indeed, intended to produce revenues for the benefit of Alaska's mentally ill and that the 1978 law was unconstitutional. The Supreme Court agreed with the lower court and stated that the million acre trust had to be reconstituted as nearly as possible. The court said further that the trust had to be reimbursed for lands sold since 1978.

The state, to the extent possible, has "tried to put Humpty Dumpty together again" but only 207 thousand of the original million acres remain as "unencumbered land." Nearly 300 thousand acres are described as "less than fee disposals." These include oil leased lands, coal leases, timber sales and other such uses. Proceeds from these lands are currently being credited to a special mental health account.

More than 360 thousand acres have gone into such limited-use designations as parks, game refuges, habitat areas, and state forests.

More than 40,000 acres have been allocated to municipalities. The Attorney General has advised the legislature that, without some sort of settlement, these lands may have to be returned to the trust.

The Legislature, in response to the decision, created a Joint Special Committee charged with trying to come up with a legislative solution to the decision that would meet with the approval of all concerned. It also created the Interim Mental Health Trust Commission and charged it with protecting the present diminished land trust, approving rentals and other administrative actions, and with making a report of its own concerning possible solutions to the problem.

WHY IS A LEGISLATIVE SOLUTION DESIRABLE?

At the present time, the court decision creates a cloud over many thousands of acres of land which have been transferred to municipalities, designated as state parks or set aside for other public uses. The decision effectively places a "freeze" not only on the use of mental health lands but potentially creates a "freeze" as well over additional lands which may have to be designated as mental health lands to make up for original lands which have been disposed of.

Too, it is not considered in the state's best interest for mental health lands to be administered separately from its other land holdings. Estimates are that it might cost as much as 25% of income generated for the state to administer the trust.

It will be far better -- assuming everyone concerned can have their needs met -- if the legislature can come up with a solution that satisfies the original Congressional grant language and yet avoids creation of a costly bureaucratic process.

PROPOSED LEGISLATION

HB 92 and SB 96, introduced in each house at the request of the Special Joint Committee, would attempt to fund the equivalent of trust lands earnings each year by designating 5% of the state's general revenues as being available for appropriation to the mental health program. The plan, sometimes called "the 5% solution," does not however reconstitute the trust in any form.

A new approach, suggested by the Interim Mental Health Commission and adopted as a Committee Substitute by both the House and Senate HESS committees, would do the following:

*It would establish the value of the original mental health lands.

*It would specify that a new mental health trust is created from certain legislatively-designated lands which have value equal in dollars to the former trust. These lands would be re-appraised every five years.

*It would mandate that each year the Commissioner of Revenue would make rent or lease payments to the trust by depositing 8% of the value of the trust lands into a special account.

*From this account, the Legislature would appropriate enough money to fund the necessary expenses of Alaska's mental health program. Excess moneys not necessary to fund mental health could be appropriated to meet other needs of the state.

*A strong mental health board would be established, a prime function of which would be to determine each year what the necessary expenses of the program would cost.

*As an interim measure, until valuations are made and the new trust is established, the "5% solution" proposed in the original House and Senate bills would go into effect. This would give the mental health program a temporary source of funds.

The advantages of the proposal are these:

1. It reconstitutes a permanent land trust and gets everybody out of court.
2. It allows mental health professionals to focus on mental health needs and on adequate budgeting, not on land management.
3. It eliminates all clouded land titles and frees lands for all other uses.
4. It is relatively easy to administer.
5. It requires no cash reimbursement for lands disposed of; its only special costs are for lands appraisal.
6. Most important, it creates a vehicle for the state -- three decades after the 1956 Congressional act -- to adequately fund the long neglected needs of the mentally ill.

BACKGROUND:

Historically in Alaska, the needs of the mentally ill have not been adequately recognized and funded. This situation has existed for a number of reasons, one of which is that until very recently people with mentally ill family members or friends were extremely hesitant to talk about it in any public forum. Treatment for the chronically mentally ill was an area of particular underfunding and therefore undertreatment.

Too, until the 1984 Weiss decision by the Alaska Supreme Court, there was no identifiable source of funding which advocates could point to as being available for treatment of mentally ill persons. That, of course, has now changed. The court has ruled that the 1954 million-acre federal grant of lands for a mental health trust must be reconstituted. From income off of these lands, the money must first go to meet expenses of the mental health program of Alaska. (Moneys excess to those needs may be appropriated for other public uses.)

Some members of the 14th Alaska Legislature attempted to remedy the underattention and underfunding of needs of the chronically mentally ill (CMI) last year. They introduced legislation which would have specifically mandated treatment for these individuals. The bill, however, took a considerable amount of time to develop and by the time it was in shape for consideration the legislature was approaching adjournment. The bill did, however, receive favorable attention from the House HESS Committee and was passed out of that committee with a majority do-pass recommendation.

The 1986 interim Joint Special Committee created by the legislature to look into mental health matters also recognized the need for legislation of this kind. In both houses of the 15th Alaska Legislature the committee prefiled legislation similar to the former bill. The identical bills are HB 91 and SB 97.

PRESENT STATUS:

HB 91 has been considered by the House HESS Committee and has been passed out of committee in the form of a recommended committee substitute, the principal features of which are these:

*Priorities for treatment are established, the highest priority being for those facing immediate risk of hospitalization, for those in need of continuing services, for those who pose a hazard to themselves or others, and for severely mentally ill youth; second level priority would go to those who, because of geographic or income limitations, are not capable of obtaining assistance in the private sector; third

level attention would go to those suffering from mental or emotional disturbances of a less severe or persistent nature not requiring hospitalization in the foreseeable future.

*General treatment services -- both outpatient and inpatient -- available to treat all types of mental illness are described. (These include such services as emergency services, counseling, screening, evaluation, prevention, education, etc.)

*In addition, the particular needs of the chronically mentally ill -- never before truly recognized in statute -- are set out. Language identifying the services to meet these needs was taken from a model federal program initiated by the National Institute of Mental Health. These include such services as crisis stabilization, unique patient treatment services such as psychotropic medication, case management, residential living, vocation assistance and other services. Recent NIMH research demonstrates that acute psychotic episodes are significantly reduced when a community has an array of such services. (Many of these services, incidentally, have long been available for other needy individuals, but have not, until recently, been available for CMI individuals even in a limited way.)

*The bill provides that in cases where the usual funding "match" for CMI services and other community mental health services cannot realistically be expected from a community or a local organization, the Department of Health and Social Services will fund the percent of costs that is necessary to ensure the services will be provided. (In some instances, this may be 100% of program costs.)

*The bill also establishes broad standards for community health services

ALASKA STATE LEGISLATURE

15TH Legislature 1ST Session

SENATE BILL..... NO. ...96...

By HALFORD, BY REQUEST OF.....
THE JOINT SPECIAL COMMITTEE ON
MENTAL HEALTH TRUST LAND

"An Act implementing a settle-
ment relating to the federally
created mental health trust;
and providing for an effective
date."

Introduced in the Senate ...2-2..., 19.87.

HISTORY IN THE SENATE

1987

Read first time and referred
to Committee on

2 2
4 21

HESS, JUDICIARY AND
FINANCE
Reported back with HESS
recommendation that replace
w/cs, 3 do pass, 1 no rec
new title, fiscal note
to Judiciary
Sub: 5 do pass HESS-CS
to Finance.

Read second time and

Read third time and

PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused Excused

Reconsideration

PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused Excused

Reported correctly engrossed
Signed by President
Sent to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19

Read first time and referred
to Committee on

Reported back with
recommendation that

Read second time and

Read third time and

PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused Excused

Reconsideration

PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused Excused

Reported correctly engrossed
Signed by Speaker
Returned to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19

Received from House

To enrolling

Reported correctly enrolled

Sent to Governor

..... by Governor

Filed with Lt. Governor

Chapter No.

Updated
1988

FNU.

Attach to
bill

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Department of Administration
 Title: An act relating to the Alaska BRU: Personnel
Mental Health Trust; and providing for an
effective date.
 Sponsor: House HESS Committee Components: Centralized Administrative Services
 Requestor: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

Prepared By: Diana DeSimone Phone: 465-4430
 Division: Personnel Date: 1-21-88

Approved by Commissioner: John M. Andrews Date: 1/25/88
 Agency: Department of Administration

Distribution (by preparer):
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

Bill Version: SB 96

Publish Date: _____

REQUEST: _____

Revision Date: _____
Title: Implementing Settlement of
Mental Health Trust
Sponsor: Halford by Request
Requestor: Senate HESS

Agency Affected: Department of Revenue
BRU: Treasury

Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
OPERATING						
PERSONAL SERVICES	-	-	-	-	-	-
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	-	-	-	-	-
SUPPLIES	-	-	-	-	-	-
EQUIPMENT	-	-	-	-	-	-
LANDS & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	-	-	-	-	-	-
CAPITAL	-	-	-	-	-	-
REVENUE	-	-	-	-	-	-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

POSITIONS:

FULL-TIME	-	-	-	-	-	-
PART-TIME	-	-	-	-	-	-
TEMPORARY	-	-	-	-	-	-

ANALYSIS: Attach a separate page for analysis.

Prepared By: Milt Barker MB

Division: Treasury

Phone: 465-2350

Date: February 23, 1987

Approved by Commissioner: [Signature]

Agency: Department of Revenue

Date: 2/24/87

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)
- Senate Secretary

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LEGISLATIVE FINANCE

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

REQUEST _____

Bill Version: SB 96

Publish Date: _____

Revision Date: _____

Agency Affected: Revenue

Title: Relating to the Federally

BRU: _____

Created Mental Health Trust

Sponsor: Halford

Components: _____

Requestor: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
OPERATING						
PERSONAL SERVICES	-	-	-	-	-	-
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	-	-	-	-	-
SUPPLIES	-	-	-	-	-	-
EQUIPMENT	-	-	-	-	-	-
LANDS & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	-	-	-	-	-	-
CAPITAL	-	-	-	-	-	-
REVENUE	-	-	-	-	-	-

FUNDING: (Millions of Dollars)

GENERAL FUND	-	(66.3)	(68.7)	(69.9)	(68.0)	(67.4)
FEDERAL FUNDS						
SPEC. MENTAL HEALTH ACCT.		66.3	68.7	69.9	68.0	67.4
TOTAL	-	-	-	-	-	-

POSITIONS:

FULL-TIME	-	-	-	-	-	-
PART-TIME	-	-	-	-	-	-
TEMPORARY	-	-	-	-	-	-

ANALYSIS: Attach a separate page if necessary

Figures are based on the January 1987 Department of Revenue Source Book estimates, and reflect the annual deposits to the Special Mental Health Account. It should be noted that the Analysis assumes five percent of General Fund Unrestricted Revenues.

Prepared By: Robert Elliott *RE*
Division: Revenue/Research Section

Phone: 465-2173
Date: 3/4/87

Approved by Commissioner: Hugh Malone *Hm*
Agency: Department of Revenue

Date: 3/6/87

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)
- Senate Secretary

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