

**HB**

**73**

<TARGET><BILL>HB 73</BILL><SUBJECT>HB  
73</SUBJECT><COMM>SFIN29</COMM></TARGET>

# SENATE FINANCE COMMITTEE REPORT

DATE: 3/16/15

FURTHER:

DATE TURNED  
IN TO OFFICE: \_\_\_\_\_

**Finance Committee** considered CS FOR HOUSE BILL NO. 73(FIN)

HB 73 APPROP: MENTAL HEALTH BUDGET

"An Act making appropriations for the operating and capital expenses of the state's integrated comprehensive mental health program; and providing for an effective date."

and recommends:

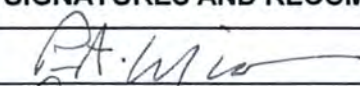
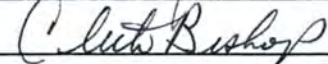
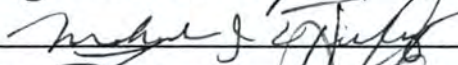


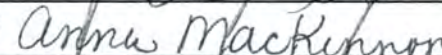
- be replaced with SCS CSHB73 (FIN) [ ] Same Title [ ] Technical Title Change  
[ ] New Title/SCR No. \_\_\_\_\_
- [ ] adopt previous SCS \_\_\_\_\_ (\_\_\_\_\_) [ ] Same Title [ ] Technical Title Change  
[ ] New Title/SCR No. \_\_\_\_\_
- [ ] attached amendment(s)
- [ ] adopt \_\_\_\_\_ Letter of Intent
- [ ] further referral to \_\_\_\_\_ Committee

Dept Abbr.	
ADM	LWF
CED	LAW
COR	LEG
EED	MVA
DEC	DNR
DFG	DPS
GOV	REV
DHS	DOT
AJS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	Do PASS	Do NOT PASS	No REC	AMEND
	MICCHE	✓			
	Bishop	✓			
	Dunleavy	✓			
	Hoffmann	✓			
CO-CHAIR: 	Kelly	✓			
CO-CHAIR: 	MacKinnon	✓			

adopted 3/30/15

29-GH1782N  
Wallace  
3/28/15

**SENATE CS FOR CS FOR HOUSE BILL NO. 73(FIN)**  
**IN THE LEGISLATURE OF THE STATE OF ALASKA**  
**TWENTY-NINTH LEGISLATURE - FIRST SESSION**

**BY THE SENATE FINANCE COMMITTEE**

**Offered:**  
**Referred:**

**Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act making appropriations for the operating and capital expenses of the state's**  
2 **integrated comprehensive mental health program; and providing for an effective date."**

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

4 (SECTION 1 OF THIS ACT BEGINS ON PAGE 2)

\* **Section 1.** The following appropriation items are for operating expenditures from the general fund or other funds as set out in section 2 of this Act to the agencies named for the purposes expressed for the fiscal year beginning July 1, 2015 and ending June 30, 2016, unless otherwise indicated. A department-wide, agency-wide, or branch-wide unallocated reduction set out in this section may be allocated among the appropriations made in this section to that department, agency, or branch.

	Appropriation	General	Other
	Allocations	Items	Funds
	*****	*****	*****

\*\*\*\*\* **Department of Administration** \*\*\*\*\*

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At the discretion of the Commissioner of the Department of Administration, up to \$750,000 may be transferred between appropriations within the Department of Administration.

It is the intent of the legislature that the Department of Administration document the cost drivers of the services being provided to other departments and establish a method linking cost drivers to rates charged other departments for Department of Administration services. The Department shall submit such method with supporting data by December 1, 2015 for use by the legislature in its deliberations for FY17 and beyond.

It is the intent of the legislature that the Department of Administration re-open labor contracts, if possible, to negotiate increased employee contributions to be commensurate with that of positions within the Alaska private sector and local/federal governments of similar job responsibilities. For those labor contracts that are not re-opened, it is the intent of the legislature that the same negotiations occur in negotiating any extension to existing contracts or in any new contract.

<b>Legal and Advocacy Services</b>	<b>2,260,700</b>	<b>2,106,900</b>	<b>153,800</b>
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Office of Public Advocacy	1,941,200		
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Public Defender Agency	319,500		
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\*\*\*\*\* **Department of Corrections** \*\*\*\*\*

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<b>Health and Rehabilitation Services</b>	<b>8,244,000</b>	<b>7,737,100</b>	<b>506,900</b>
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		Appropriation	General	Other
		Allocations	Items	Funds
			Funds	Funds
1				
2				
3	Behavioral Health Care	6,632,500		
4	Substance Abuse Treatment	1,611,500		
5	Program			
6	*****		*****	
7	***** Department of Education and Early Development *****			
8	*****		*****	
9	<b>Teaching and Learning Support</b>		<b>477,800</b>	<b>377,800</b>
10	Student and School	477,800		
11	Achievement			<b>100,000</b>
12	*****		*****	
13	***** Department of Health and Social Services *****			
14	*****		*****	
15	<b>Alaska Pioneer Homes</b>		<b>16,045,000</b>	<b>16,045,000</b>
16	Alaska Pioneer Homes	64,200		
17	Management			
18	Pioneer Homes	15,980,800		
19	The amount allocated for Pioneer Homes includes the unexpended and unobligated balance			
20	on June 30, 2015, of the Department of Health and Social Services, Pioneer Homes care and			
21	support receipts under AS 47.55.030.			
22	<b>Behavioral Health</b>		<b>89,354,700</b>	<b>87,604,100</b>
23	Behavioral Health Treatment	63,199,800		
24	and Recovery Grants			
25	Alcohol Safety Action	863,700		
26	Program (ASAP)			
27	It is the intent of the legislature that the department draft regulations to maximize the			
28	collection of the cost of the 24/7 program from the participants.			
29	Behavioral Health	5,853,700		
30	Administration			
31	Behavioral Health	4,221,400		
32	Prevention and Early			
33	Intervention Grants			

		Appropriation	General	Other
		Allocations	Items	Funds
			Funds	Funds
1				
2				
3	Designated Evaluation and	3,957,700		
4	Treatment			
5	Alaska Psychiatric	6,391,100		
6	Institute			
7	Alaska Mental Health Board	964,600		
8	and Advisory Board on			
9	Alcohol and Drug Abuse			
10	Suicide Prevention Council	664,600		
11	Residential Child Care	3,238,100		
12	<b>Children's Services</b>		<b>10,105,400</b>	<b>10,065,400</b>
13	Children's Services	69,500		
14	Management			
15	Front Line Social Workers	148,500		
16	Family Preservation	726,000		
17	Foster Care Augmented Rate	500,000		
18	Foster Care Special Need	747,900		
19	Early Childhood Services	7,913,500		
20	<b>Health Care Services</b>		<b>128,400</b>	<b>128,400</b>
21	It is the intent of the legislature that the Division of Health Care Services pursue federal			
22	authority to deny Medicaid travel when services can be provided in local communities.			
23	Residential Licensing	128,400		
24	<b>Juvenile Justice</b>		<b>1,528,800</b>	<b>1,255,400</b>
25	McLaughlin Youth Center	736,000		
26	Fairbanks Youth Facility	116,800		
27	Bethel Youth Facility	64,200		
28	Probation Services	611,800		
29	<b>Public Assistance</b>		<b>13,200</b>	<b>13,200</b>
30	Public Assistance	13,200		
31	Administration			
32	<b>Public Health</b>		<b>1,779,800</b>	<b>1,454,800</b>
33	It is the intent of the legislature that the Division of Public Health evaluate and implement			

		Appropriation	General	Other
		Allocations	Items	Funds
			Funds	Funds
3	strategies to maximize collections for billable services where possible.			
4	Health Planning and Systems	801,600		
5	Development			
6	Nursing	98,200		
7	Women, Children and Family	870,000		
8	Health			
9	Chronic Disease Prevention	10,000		
10	and Health Promotion			
11	<b>Senior and Disabilities Services</b>		<b>17,950,400</b>	<b>16,221,300</b>
12	Senior and Disabilities	3,388,100		
13	Services Administration			
14	General Relief/Temporary	740,300		
15	Assisted Living			
16	Senior Community Based	4,641,600		
17	Grants			
18	Community Developmental	8,132,300		
19	Disabilities Grants			
20	Commission on Aging	148,700		
21	Governor's Council on	899,400		
22	Disabilities and Special			
23	Education			
24	<b>Departmental Support Services</b>		<b>459,800</b>	<b>459,800</b>
25	Commissioner's Office	109,800		
26	HSS State Facilities Rent	350,000		
27	<b>Medicaid Services</b>		<b>67,778,400</b>	<b>67,778,400</b>
28	No money appropriated in this appropriation may be expended for an abortion that is not a			
29	mandatory service required under AS 47.07.030(a). The money appropriated for Health and			
30	Social Services may be expended only for mandatory services required under Title XIX of the			
31	Social Security Act and for optional services offered by the state under the state plan for			
32	medical assistance that has been approved by the United States Department of Health and			
33	Human Services.			

	Appropriation	General	Other
	Allocations	Items	Funds
No money appropriated in this appropriation may be expended for services to persons who are eligible pursuant to 42 United States Code section 1396a(a)(10)A(i)(VIII) and whose household modified adjusted gross income is less than or equal to one hundred thirty-three percent of the federal poverty guidelines.			
Behavioral Health Medicaid Services	67,395,300		
Children's Medicaid Services	383,100		
	*****	*****	
***** Department of Labor and Workforce Development *****			
	*****	*****	
<b>Vocational Rehabilitation</b>		<b>125,000</b>	<b>125,000</b>
Special Projects	125,000		
	*****	*****	
***** Department of Law *****			
	*****	*****	
<b>Criminal Division</b>		<b>15,000</b>	<b>15,000</b>
Third Judicial District:	15,000		
Anchorage			
<b>Civil Division</b>		<b>98,800</b>	<b>98,800</b>
Human Services	98,800		
	*****	*****	
***** Department of Natural Resources *****			
	*****	*****	
<b>Administration &amp; Support Services</b>		<b>4,321,900</b>	<b>4,321,900</b>
Mental Health Trust Lands Administration	4,321,900		
	*****	*****	
***** Department of Revenue *****			
	*****	*****	
<b>Alaska Mental Health Trust Authority</b>		<b>4,422,400</b>	<b>954,200</b>
			<b>3,468,200</b>

		Appropriation		General	Other
		Allocations	Items	Funds	Funds
1					
2					
3	Mental Health Trust	3,968,200			
4	Operations				
5	Long Term Care Ombudsman	454,200			
6	Office				
7		*****	*****		
8		*****	<b>University of Alaska</b>	*****	
9		*****	*****		
10	<b>University of Alaska</b>		<b>2,587,700</b>	<b>655,800</b>	<b>1,931,900</b>
11	Anchorage Campus	2,537,700			
12	Fairbanks Campus	50,000			
13		*****	*****		
14		*****	<b>Judiciary</b>	*****	
15		*****	*****		
16	<b>Alaska Court System</b>		<b>227,000</b>	<b>227,000</b>	
17	Trial Courts	227,000			
18	<b>Therapeutic Courts</b>		<b>3,698,800</b>	<b>3,098,500</b>	<b>600,300</b>
19	Therapeutic Courts	3,698,800			
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	2,106,900
6 1092 Mental Health Trust Authority Authorized Receipts	153,800
7 *** Total Agency Funding ***	2,260,700
<b>8 Department of Corrections</b>	
9 1037 General Fund / Mental Health	7,737,100
10 1092 Mental Health Trust Authority Authorized Receipts	506,900
11 *** Total Agency Funding ***	8,244,000
<b>12 Department of Education and Early Development</b>	
13 1037 General Fund / Mental Health	377,800
14 1092 Mental Health Trust Authority Authorized Receipts	100,000
15 *** Total Agency Funding ***	477,800
<b>16 Department of Health and Social Services</b>	
17 1037 General Fund / Mental Health	177,901,300
18 1092 Mental Health Trust Authority Authorized Receipts	4,118,100
19 1180 Alcohol and Other Drug Abuse Treatment & Prevention Fund	23,124,500
20 *** Total Agency Funding ***	205,143,900
<b>21 Department of Labor and Workforce Development</b>	
22 1092 Mental Health Trust Authority Authorized Receipts	125,000
23 *** Total Agency Funding ***	125,000
<b>24 Department of Law</b>	
25 1037 General Fund / Mental Health	98,800
26 1092 Mental Health Trust Authority Authorized Receipts	15,000
27 *** Total Agency Funding ***	113,800
<b>28 Department of Natural Resources</b>	
29 1092 Mental Health Trust Authority Authorized Receipts	4,321,900
30 *** Total Agency Funding ***	4,321,900
<b>31 Department of Revenue</b>	

1	1037	General Fund / Mental Health	954,200
2	1094	Mental Health Trust Administration	3,468,200
3		*** Total Agency Funding ***	4,422,400
4		<b>University of Alaska</b>	
5	1037	General Fund / Mental Health	655,800
6	1092	Mental Health Trust Authority Authorized Receipts	1,931,900
7		*** Total Agency Funding ***	2,587,700
8		<b>Judiciary</b>	
9	1037	General Fund / Mental Health	2,807,500
10	1092	Mental Health Trust Authority Authorized Receipts	600,300
11	1180	Alcohol and Other Drug Abuse Treatment & Prevention Fund	518,000
12		*** Total Agency Funding ***	3,925,800
13		<b>***** Total Budget *****</b>	<b>231,623,000</b>
14		(SECTION 3 OF THIS ACT BEGINS ON THE NEXT PAGE)	

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

3	Funding Source	Amount
4	<b>Unrestricted General</b>	
5	1037 General Fund / Mental Health	192,639,400
6	*** Total Unrestricted General ***	192,639,400
7	<b>Designated General</b>	
8	1180 Alcohol and Other Drug Abuse Treatment & Prevention Fund	23,642,500
9	*** Total Designated General ***	23,642,500
10	<b>Other Non-Duplicated</b>	
11	1092 Mental Health Trust Authority Authorized Receipts	11,872,900
12	1094 Mental Health Trust Administration	3,468,200
13	*** Total Other Non-Duplicated ***	15,341,100

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

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

	Appropriation	General	Other
	Allocations	Items	Funds
	Funds	Funds	Funds
	*****	*****	
	***** <b>Department of Transportation and Public Facilities</b> *****		
	*****	*****	
10	MH Coordinated Transportation and	1,300,000	1,000,000
11	Vehicles (HD 1-40)		300,000

12 (SECTION 5 OF THIS ACT BEGINS ON THE NEXT PAGE)

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

3	Funding Source	Amount
4	<b>Department of Transportation and Public Facilities</b>	
5	1037 General Fund / Mental Health	1,000,000
6	1092 Mental Health Trust Authority Authorized Receipts	300,000
7	*** Total Agency Funding ***	1,300,000
8	<b>*** Total Budget ***</b>	<b>1,300,000</b>

9 (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	1,000,000
6	*** Total Unrestricted General ***	1,000,000
7	<b>Other Non-Duplicated</b>	
8	1092 Mental Health Trust Authority Authorized Receipts	300,000
9	*** Total Other Non-Duplicated ***	300,000

10 (SECTION 7 OF THIS ACT BEGINS ON THE NEXT PAGE)

1 \* **Sec. 7. PURPOSE.** In accordance with AS 37.14.003 and 37.14.005, the appropriations  
2 made in this Act are for the state's integrated comprehensive mental health program.

3 \* **Sec. 8. NONGENERAL FUND RECEIPTS.** (a) Alaska Mental Health Trust Authority  
4 authorized receipts (AS 37.14.036) or administration receipts (AS 37.14.036) that exceed the  
5 amounts appropriated in this Act are appropriated conditioned on compliance with the  
6 program review provisions of AS 37.07.080(h).

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

10 \* **Sec. 9. SALARY AND BENEFIT ADJUSTMENTS.** (a) The appropriations made in sec.  
11 1 of this Act include amounts for salary and benefit adjustments for public officials, officers,  
12 and employees of the executive branch, Alaska Court System employees, employees of the  
13 legislature, and legislators and to implement the terms for the fiscal year ending June 30,  
14 2016, of the following collective bargaining agreements:

15 (1) Alaska Correctional Officers Association, representing the correctional  
16 officers unit;

17 (2) Confidential Employees Association, for the confidential unit;

18 (3) Alaska Public Employees Association, for the supervisory unit;

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

20 (5) Public Safety Employees Association;

21 (6) Alaska Vocational Technical Center Teachers' Association;

22 (7) Inlandboatmen's Union of the Pacific, Alaska Region, for the unlicensed  
23 marine unit;

24 (8) International Organization of Masters, Mates, and Pilots, for the masters,  
25 mates, and pilots unit;

26 (9) Marine Engineers' Beneficial Association, representing licensed engineers  
27 employed by the Alaska marine highway system.

28 (b) The operating budget appropriations made to the University of Alaska in sec. 1 of  
29 this Act include amounts for salary and benefit adjustments for the fiscal year ending June 30,  
30 2016, for university employees who are not members of a collective bargaining unit and to  
31 implement the terms for the fiscal year ending June 30, 2016, of the following collective

1 bargaining agreements:

2 (1) Fairbanks Firefighters Union, IAFF Local 1324;

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

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 (5) University of Alaska Federation of Teachers (UAFT).

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

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

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

24 \* **Sec. 10.** This Act takes effect July 1, 2015.