

**ALASKA LEGISLATURE**

**1090**

**HOUSE and SENATE FINANCE COMMITTEE FILES,**

**1993-1994**

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1 reasonable not to make the defense;

2 (9) separately account for trust property;

3 (10) ensure that trust property is designated as property of the trust;

4 (11) use care and skill to make the trust property productive; however,  
5 nothing in this paragraph shall prevent the state from using trust property directly or  
6 indirectly, by contractual stipulation or otherwise, as a component of the state's mental  
7 health trust program; and

8 (12) deal impartially with the different trust beneficiaries as provided  
9 in AS 47.30.056.

10 **Sec. 9.** AS 37.14.009(a), added by sec. 10, ch. 66, S.L.A. 1991, is amended to read:

11 (a) The Alaska Mental Health Trust Authority

37.14.009(a)

12 (1) has a fiduciary obligation to ensure that the assets of the trust  
13 are managed consistent with the requirements of the Alaska Mental Health  
14 Enabling Act, P.L. 84-830, 70 Stat. 709 (1956);

15 (2) shall [MANAGE THE ASSETS OF THE TRUST IN A  
16 FIDUCIARY MANNER TO FULFILL THE PURPOSES OF THE TRUST;

17 (2) MAY, CONSISTENT WITH (1) OF THIS SUBSECTION AND  
18 AS 47.30.036(1), SELL, LEASE, EXCHANGE, OR OTHERWISE DISPOSE OF  
19 LAND IN THE TRUST,

20 (3) MAY, CONSISTENT WITH (1) OF THIS SUBSECTION, USE  
21 LAND THAT IS AN ASSET OF THE TRUST DIRECTLY FOR THE INTEGRATED  
22 COMPREHENSIVE MENTAL HEALTH PROGRAM;

23 (4) MAY] contract with the Department of Natural Resources to  
24 manage the land assets of the trust, the contract must provide for the recording of  
25 at least one conveyance to the authority by quitclaim deed of mental health trust  
26 land in each recording district in the state in which mental health trust land is  
27 located; a conveyance to the authority is exempt from the platting and surveying  
28 requirements of AS 38.04.045(b) and municipal ordinances adopted under  
29 AS 29.40; when the Department of Natural Resources manages land assets of the  
30 trust under a contract entered into under this paragraph, the department shall

31 (A) manage in conformity with AS 38.05.801;

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(B) consult with the authority before adopting regulations under AS 38.05.801(c);

(C) provide notice to, and consult with, the authority regarding all proposed actions subject to public notice under AS 38.05.945 before giving that public notice;

(D) annually provide the authority with a report including (i) a description of all land management activities undertaken under this section during the prior year;

(ii) an accounting of all income and proceeds generated from mental health trust land;

(iii) an explanation of the manner in which the income and proceeds were allocated between the mental health trust fund and the mental health trust income account; and

(E) obtain the approval of the authority before exchanging mental health trust land under AS 38.05.801(b)(2); and

(3) [(5)] shall contract with the Alaska Permanent Fund Corporation for management of the mental health trust fund [TRUST'S CASH ASSETS, UNLESS THE AUTHORITY FINDS THAT THE BEST INTERESTS OF TRUST BENEFICIARIES WOULD BE SERVED BY CONTRACTING WITH ANOTHER ENTITY].

\* Sec. 10. AS 37.14 is amended by adding a new section to read:

Sec. 37.14.013. MENTAL HEALTH TRUST INCOME AND PROCEEDS ACCOUNT. (a) The mental health trust income and proceeds account is established as a separate account in the general fund.

(b) The mental health trust income and proceeds account consists of

(1) the net income and net proceeds received by the state from the use, sale, or other disposal of the state land designated as mental health trust land; and

(2) money deposited in the account in accordance with appropriations or allocations made by law.

\* Sec. 11. AS 37.14 is amended by adding a new section to read:

Sec. 37.14.023. UTILIZATION OF THE MENTAL HEALTH TRUST

37.14.013

37.14.023

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1 INCOME AND PROCEEDS ACCOUNT. (a) Money in the mental health trust  
2 income and proceeds account established in AS 37.14.013(a) shall first be appropriated  
3 by the legislature to pay the necessary expenses of the mental health program of the  
4 state. In making annual appropriations from the mental health trust income and  
5 proceeds account, the legislature shall consider the recommendations of the Alaska  
6 Mental Health Board established under AS 47.30.661.

7 (b) After appropriations have been made to pay the necessary expenses of the  
8 mental health program of the state, the legislature may authorize the transfer of the  
9 unobligated and unappropriated fiscal year end balance in the mental health trust  
10 income and proceeds account as of June 30 to the unrestricted portion of the general  
11 fund for use for other public purposes.

12 • Sec. 12. AS 37.14.031, added by sec. 11, ch. 66, SLA 1991, is amended to read:

13 Sec. 37.14.031. TRUST FUND ESTABLISHED. (a) The mental health trust  
14 fund is established as a separate fund of the Alaska Mental Health Trust Authority  
15 [WITHIN THE STATE TREASURY].

37.14.031

16 (b) The fund consists of the cash assets of the principal of the trust, and  
17 includes

18 (1) money appropriated to the fund;

19 (2) the proceeds of sale or other disposals of mental health trust  
20 land, and the fees, charges, income earned, royalty proceeds, and other money  
21 received from the management of mental health trust land attributable to  
22 principal; and

23 (3) gifts, bequests, and contributions from other sources.

24 • Sec. 13. AS 37.14.031, added by sec. 11, ch. 66, SLA 1991, is amended by adding new  
25 subsections to read:

26 (c) The net income of the fund shall be determined by the Alaska Permanent  
27 Fund Corporation in the same manner the corporation determines the net income of the  
28 Alaska permanent fund under AS 37.13.140.

37.14.031(c)  
(d)

29 (d) The provisions of AS 13.38 apply to determine amounts attributable to the  
30 principal under (b)(2) of this section.

31 • Sec. 14. AS 37.14 is amended by adding new sections to read:

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37.14.033

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Sec. 37.14.033. MANAGEMENT OF TRUST FUND. The mental health trust fund shall be managed by the Alaska Permanent Fund Corporation under AS 37.13.300.

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37.14.035

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Sec. 37.14.035. TRUST FUND UTILIZATION. (a) The cash principal of the mental health trust fund shall be retained perpetually in the fund for investment by the Alaska Permanent Fund Corporation, as specified in AS 37.13.300.

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(b) The net income of the fund shall be transferred by the corporation to the mental health trust income account at the end of each fiscal year.

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(c) The net income of the fund may only be utilized by the Alaska Mental Health Trust Authority for the purposes listed in AS 37.14.041.

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37.14.036(a)

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\* Sec. 15. AS 37.14.036(a), added by sec. 11, ch. 66, SLA 1991, is amended to read:

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(a) The mental health trust income account is established as a separate account of the Alaska Mental Health Trust Authority [WITHIN THE GENERAL FUND OF THE STATE]. The mental health trust income account consists of

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(1) fees, charges, income earned on assets, and other money received

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by the trust that is not attributable to the principal of the trust under AS 37.14.031(d);

17

and

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(2) money deposited in the account in accordance with appropriations

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or allocations made by law;

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(3) THE AMOUNTS ALLOCATED TO IT UNDER (c) OF THIS

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SECTION).

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\* Sec. 16. AS 37.14 is amended by adding new sections to read:

37.14.039

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Sec. 37.14.039. TRUST INCOME ACCOUNT ADMINISTRATION. (a) The

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mental health trust income account shall be administered by the Alaska Mental Health Trust Authority.

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(b) If the authority determines that there is a surplus of money in the account

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above the amount sufficient to meet current and projected cash expenditure needs of

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the authority, the surplus shall be invested by the authority as provided in

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AS 37.10.071 for the making of investments by the fiduciary of a state fund. Income

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earned on investments made under this subsection may be retained by the authority and

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expended under AS 37.14.041.

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37.14.041

1           **Sec. 37.14.041. USE OF TRUST INCOME ACCOUNT.** (a) Money in the  
2 mental health trust income account may only be used for the following purposes:

3                   (1) the awarding of grants and contracts in fulfillment of the authority's  
4 purpose to ensure an integrated comprehensive mental health program for the state,

5                   (2) obtaining private and federal grants for a purpose described in (1)  
6 of this subsection;

7                   (3) soliciting gifts, bequests, and contributions for a purpose described  
8 in (1) of this subsection;

9                   (4) reimbursement to

10                           (A) the Alaska Permanent Fund Corporation for the costs of  
11 managing the principal of the mental health trust fund; and

12                           (B) the Department of Natural Resources for the cost of  
13 managing mental health trust land,

14                   (5) offsetting the effect of inflation on the value of the principal of the  
15 mental health trust fund; and

16                   (6) subject to AS 37.07 (Executive Budget Act), meeting the necessary  
17 administrative expenses of the authority that are required for it to properly discharge  
18 its responsibilities.

19           (b) If money in the mental health trust income account is not needed to meet  
20 the necessary expenses of the state's integrated comprehensive mental health program,  
21 the authority shall transfer the money to the unrestricted general fund for expenditure  
22 through legislative appropriation for other public purposes.

37.14.045

23           **Sec. 37.14.045. LIMITATION ON GRANTS AND CONTRACTS PAID FOR**  
24 **FROM MENTAL HEALTH TRUST INCOME ACCOUNT.** (a) The authority may  
25 award grants and contracts that are paid for from money in the mental health trust  
26 income account only in furtherance of its purpose to ensure an integrated  
27 comprehensive mental health program.

28           (b) In awarding grants and contracts that are paid for from money in the  
29 mental health trust income account, the authority shall consider proposals only from  
30 applicants submitting a detailed proposal in the form prescribed by the authority.

31           (c) The authority may not award a grant or contract that is to be paid for from

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1 money in the mental health trust income account unless the authority makes written  
2 findings explaining that

3 (1) the grant or contract awarded will further the authority's purpose  
4 to ensure an integrated comprehensive mental health program;

5 (2) the applicant has submitted an adequate plan for project  
6 implementation, including both financial feasibility and project effectiveness;

7 (3) the applicant has demonstrated that sufficient expertise is available  
8 to accomplish the objectives of the proposed program or project; and

9 (4) the applicant has identified operating, maintenance, and other costs  
10 associated with the project, including those ancillary to the project, and future  
11 obligations associated with the project.

12 (d) The authority may establish other requirements for the award of grants and  
13 contracts under this section to ensure an integrated comprehensive mental health  
14 program.

15 (e) The authority shall award grants and contracts that are paid for from money  
16 in the mental health trust income account in amounts that

17 (1) are appropriate to the conditions of the applicant and the proposed  
18 program or project; and

19 (2) will make the most effective use of the funds in the mental health  
20 trust income account that are available for expenditure.

21 • Sec. 17. AS 38.05 is amended by adding a new section to read:

38.05.801

22 Sec. 38.05.801. MANAGEMENT OF MENTAL HEALTH TRUST LAND.

23 (a) Mental health trust land shall be managed consistent with the trust principles  
24 imposed on the state by the Alaska Mental Health Enabling Act, P.L. 84-830, 70 Stat.  
25 709 (1956).

26 (b) Subject to (a) of this section, the department

27 (1) shall manage mental health trust land under those provisions of law  
28 applicable to other state land;

29 (2) may exchange other state land for mental health trust land under the  
30 procedures set out in AS 38.50; and

31 (3) may correct errors or omissions in the legal descriptions of mental

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1 health trust land.

2 (c) The commissioner shall adopt regulations under AS 44.62 (Administrative  
3 Procedure Act) to implement this section. The regulations adopted under this  
4 subsection must, at a minimum, address

- 5 (1) maintenance of the trust land base,
- 6 (2) management for the benefit of the trust,
- 7 (3) management for long-term sustained yield of products from the  
8 land; and
- 9 (4) management for multiple use of trust land

10 • Sec. 18. AS 39.25.120(e) is amended by adding a new paragraph to read:

11 (23) employees of the unit established under AS 44.37.050.

39.25.120(c)  
(23)

12 • Sec. 19. AS 44.21.230(a), as amended by sec. 15, ch. 66, SLA 1991, is amended to read:

13 (a) The commission shall

44.21.230(a)

14 (1) formulate a comprehensive statewide plan that identifies the  
15 concerns and needs of older Alaskans and, with reference to the plan adopted, prepare  
16 and submit to the governor and legislature an annual analysis and evaluation of the  
17 services that are provided to older Alaskans,

18 (2) make recommendations directly to the governor and legislature with  
19 respect to legislation, regulations, and appropriations for programs or services that  
20 benefit older Alaskans;

21 (3) encourage and aid the development of municipal commissions  
22 serving older Alaskans and community oriented programs and services for the benefit  
23 of older Alaskans;

24 (4) employ an executive director who serves at the pleasure of the  
25 commission;

26 (5) help older Alaskans lead dignified, independent, and useful lives;

27 (6) request and receive reports and audits from state agencies and local  
28 institutions concerned with the conditions and needs of older Alaskans;

29 (7) administer, with the approval of the commissioner of administration,  
30 federal programs as provided under 42 U.S.C. 3001 - 3045 (Older Americans Act),  
31 as amended;

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1 (8) administer, with the approval of the commissioner of administration,  
2 state programs as provided under AS 47.65;

3 (9) give assistance, on request, to the senior housing office in the  
4 Alaska Housing Finance Corporation in administration of the senior housing loan  
5 program under AS 18.56.710 - 18.56.799 and in the performance of the office's other  
6 duties under AS 18.56.700; and

7 (10) provide to the Alaska Mental Health Trust Authority, for its review  
8 and consideration, recommendations concerning the integrated comprehensive mental  
9 health program for persons who are described in (d) of this section  
10 [AS 47.30.056(b)(4)] and the use of the money in the mental health trust income  
11 account in a manner consistent with regulations adopted under AS 47.30.031.

44.21.230(d)

12 \* Sec. 20. AS 44.21.230 is amended by adding a new subsection to read:

13 (d) When the commission formulates a comprehensive statewide plan under  
14 (a) of this section, it shall include within the plan specific reference to the concerns  
15 and needs of older Alaskans who have a disorder described in AS 47.30.056(b)(4).

44.29.140(c)

16 \* Sec. 21. AS 44.29.140(c), as added by sec. 25, ch. 66, SLA 1991, is amended to read:

17 (c) The board shall prepare and maintain a comprehensive plan of services  
18 (1) for the prevention and treatment of alcohol, drug, and other  
19 substance abuse; ~~and~~

20 (2) for persons described in AS 47.30.056(b)(3).

44.37.050

21 \* Sec. 22. AS 44.37 is amended by adding a new section to read:

22 Sec. 44.37.050. DUTIES OF DEPARTMENT WITH RESPECT TO  
23 MANAGEMENT OF MENTAL HEALTH TRUST LAND. To carry out its duties  
24 under AS 38.05.801, the Department of Natural Resources shall establish a separate  
25 unit with responsibility for management of the mental health trust land.

47.30.011(c)

26 \* Sec. 23. AS 47.30.011(c), added by sec. 26, ch. 66, SLA 1991, is amended to read:

27 (c) The authority

28 (1) shall, as provided in AS 37.14.009, administer the trust established  
29 under the Alaska Mental Health Enabling Act of 1956;

30 (2) may sue and be sued;

31 (3) may retain the services of independent counsel when, in the

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judgment of the authority's board of trustees, independent counsel is needed;

(4) shall insure or indemnify and protect the board, a member of the board, or an agent or employee of the authority against financial loss and expense, including reasonable legal fees and costs, arising out of a claim, demand, suit, or judgment by reason of alleged negligence, alleged violation of civil rights, or alleged wrongful act resulting in death or bodily injury to a person or accidental damage to or destruction of property if the board member, agent, or employee, at the time of the occurrence, was acting under the direction of the authority within the course or scope of the duties of the board member, agent, or employee; and

(5) shall exercise the powers granted to it under AS 37.14.041, subject to the limitations imposed by AS 37.14.045

• Sec. 24. AS 47.30.016(b), added by sec. 26, ch. 66, SLA 1991, is amended to read:

(b) The board consists of seven members appointed by the governor and confirmed by the legislature. The members appointed under this subsection shall be appointed

47.30.016(b)

(1) based upon their ability in financial management and investment, in land management, or in services for the beneficiaries of the trust;

(2) after the governor has considered a list of persons prepared by a panel of six persons who are beneficiaries, or who are the guardians, family members, or representatives of beneficiaries; the panel shall consist of

(A) one person selected by the Alaska Mental Health Board (AS 47.30.661);

(B) one person selected by the Governor's Council on Disabilities and Special Education (FOR THE HANDICAPPED AND GIFTED (AS 47.80.030);

(C) one person selected by the Advisory Board on Alcoholism and Drug Abuse (AS 44.29.110);

(D) one person selected by the Older Alaskans Commission (AS 44.21.200);

(E) one person selected by the Alaska Native Health Board; and

(F) one person selected by the authority.

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47.30.016(c)

1 • Sec. 25. AS 47.30.016(c), added by sec. 26, ch. 66, SLA 1991, is amended to read: 1

2 (c) A member of the board appointed by the governor under (b) of this section 2

3 may not 3

4 (1) be an officer or employee of the state; or 4

5 (2) within the preceding two years or during the member's term of 5

6 office have an interest in, served on the governing board of, or been employed by an 6

7 organization that has received, during that same period, money from the mental health 7

8 trust income account under a grant or contract for services. 8

47.30.036(1)

9 • Sec. 26. AS 47.30.036(1), added by sec. 26, ch. 66, SLA 1991, is amended to read: 9

10 (1) preserve and protect the trust corpus under AS 37.14.009; 10

47.30.046(a)

11 • Sec. 27. AS 47.30.046(a), added by sec. 26, ch. 66, SLA 1991, is amended to read: 11

12 (a) The board shall annually, not later than September 15, submit to the 12

13 governor and the Legislative Budget and Audit Committee a budget for the next fiscal 13

14 year and a proposed plan of implementation based on the integrated comprehensive 14

15 mental health program plan prepared under AS 47.30.660(a)(1). The budget must 15

16 include the authority's determination of the amount 16

17 (1) [RECOMMENDED FOR EXPENDITURE FROM THE MENTAL 17

18 HEALTH TRUST INCOME ACCOUNT DURING THE NEXT FISCAL YEAR TO 18

19 (A) MEET THE ADMINISTRATIVE EXPENSES OF THE 19

20 AUTHORITY; 20

21 (B) OFFSET THE EFFECT OF INFLATION ON THE VALUE 21

22 OF THE TRUST CORPUS; AND 22

23 (C) MEET THE NECESSARY OPERATING AND CAPITAL 23

24 EXPENSES OF THE INTEGRATED COMPREHENSIVE MENTAL HEALTH 24

25 PROGRAM; 25

26 (2) [recommended for expenditure from the general fund ], IF ANY,] during 26

27 the next fiscal year to meet the [NECESSARY] operating and capital expenses of the 27

28 integrated comprehensive mental health program; 28

29 (2) [AND (3)] in the mental health trust income account, if any, that 29

30 is not reasonably necessary to meet the projected operating and capital expenses of the 30

31 integrated comprehensive mental health program that may be transferred into the 31

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1 general fund; and

2 (3) of the expenditures the authority intends to make under  
 3 AS 37.14.041 and 37.14.045, including the specific purposes and amounts of any  
 4 grants or contracts as part of the state's integrated comprehensive mental health  
 5 program.

6 \* Sec. 28. AS 47.30.056(a), added by sec. 26, ch. 66, S.L.A. 1991, is amended to read:

7 (a) The [IF APPROPRIATED BY LAW, THE] money in the mental health  
 8 trust income account established in AS 37.14.036 shall be used as provided in  
 9 AS 37.14.041, including to

47.30.056(a)

10 (1) provide an integrated comprehensive mental health program as  
 11 required by this section;

12 (2) meet the authority's annual administrative expenses; and

13 (3) offset the effect of inflation on the mental health trust fund  
 14 [CORPUS OF THE TRUST].

15 \* Sec. 29. AS 47.30.470(9), added by sec. 27, ch. 66, SLA 1991, is amended to read:

16 (9) use money awarded to the department by grant or contract  
 17 [APPROPRIATED] from the mental health trust income account established under  
 18 AS 37.14.036 and appropriated from the general fund to provide the necessary  
 19 services identified in (8) of this section and in accordance with AS 47.30.056.

47.30.470(9)

20 \* Sec. 30. AS 47.30.520, as amended by sec. 28, ch. 66, SLA 1991, is amended to read:

21 Sec. 47.30.520. LEGISLATIVE PURPOSE. It is the purpose of the  
 22 Community Mental Health Services Act to

47.30.520

23 (1) provide a range of community based inpatient, outpatient, and  
 24 support services for persons with mental disorders;

25 (2) assist communities in planning, organizing, and financing  
 26 community mental health services through locally developed, administered, and  
 27 controlled community mental health programs;

28 (3) better develop and use resources at both state and local levels;

29 (4) develop and implement plans for comprehensive mental health  
 30 services based on demonstrated need on a regional basis;

31 (5) improve the effectiveness of existing mental health services;

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- 1 (b) integrate state-operated and community mental health programs into
- 2 a unified mental health system;
- 3 (7) ensure that consumers, families, and representatives of communities
- 4 within mental health planning regions can participate in planning for, determining the
- 5 need for, and allocating (THE ALLOCATION OF) mental health resources;
- 6 (8) provide a means of allocating money available for state mental
- 7 health services according to community needs;
- 8 (9) encourage the full use of all existing public or private agencies,
- 9 facilities, personnel, and funds to accomplish these objectives; and
- 10 (10) prevent unnecessary duplication and fragmentation of services and
- 11 expenditures.

47.30.530(a)

\* Sec. 31. AS 47.30.530(a) is amended to read:

- 12 (a) The department shall administer the provisions of AS 47.30.520 -
- 13 47.30.620 and shall
- 14 (1) define and develop standards for various levels and qualities of
- 15 mental health care;
- 16 (2) provide fiscal and professional technical assistance in planning,
- 17 organizing, developing, implementing, and administering local mental health services;
- 18 (3) develop budgets and receive and distribute state appropriations and
- 19 funds in accordance with the provisions of AS 47.30.520 - 47.30.620;
- 20 (4) establish standards of education and experience for professional,
- 21 technical, and administrative personnel employed in community mental health services;
- 22 (5) assist the community in establishing the organization and operation
- 23 of community mental health services;
- 24 (6) develop a standardized system for measuring and reporting to the
- 25 department the types, quantities, and quality of services; and develop a cost accounting
- 26 system that will demonstrate the cost of various levels and qualities of care;
- 27 (7) provide each local community planning and services delivery entity
- 28 with statistics, reports, and other data relevant to development of indices indicating the
- 29 need for mental health services, or relevant to evaluating the effectiveness of existing
- 30 services;
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(8) review each local community plan and require each plan to include

(A) an affirmative showing that the most effective and economic use will be made of all available public and private resources in the community including careful consideration of the most effective and economic alternative forms and patterns of services;

(B) a five-year projection of needs, services, and resources; and

(C) adequate provisions for review and evaluation of services provided in the local community;

(9) adopt regulations and establish priorities, after consultation with

local communities affected and in conjunction with the Alaska Mental Health Board [A STATE MENTAL HEALTH ADVISORY COUNCIL], that are necessary to carry out the purposes of AS 47.30.520 - 47.30.620.

\* Sec. 32. AS 47.30.550 is amended by adding a new subsection to read:

(e) In (a) and (b) of this section, "poverty area" means a census district in which at least 15 percent of the population, based upon the most recent census date, falls under 125 percent of the United States Department of Health and Human Services' Poverty Income Guidelines for Alaska, as reported in the Federal Register.

47.30.550(e)

\* Sec. 33. AS 47.30.660, as amended by sec. 36, ch. 66, SLA 1991, and by sec. 2, ch. 109, SLA 1992, is amended to read:

Sec. 47.30.660. POWERS AND DUTIES OF DEPARTMENT. (a) The department shall

47.30.660

(1) prepare, and periodically revise and amend, a plan for an integrated comprehensive mental health program, as that term is defined by AS 47.30.056(i); the preparation of the plan and any revision or amendment of it shall

(A) be made in conjunction with the Alaska Mental Health Trust Authority;

(B) be coordinated with federal, state, regional, local, and private entities involved in mental health services;

(2) in planning expenditures from the mental health trust income account, conform to the regulations adopted by the Alaska Mental Health Trust Authority under AS 47.30.031(b)(6); and

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1 (3) implement an integrated comprehensive system of care that, within  
2 the limits of money appropriated for that purpose and using grants and contracts  
3 that are to be paid for from the mental health trust income account, meets the  
4 service needs of the beneficiaries of the trust established under the Alaska Mental  
5 Health Enabling Act of 1956, as determined by the plan.

6 (b) The department, in fulfilling its duties under this section and through its  
7 division of mental health and developmental disabilities, shall

8 (1) administer a comprehensive program of services for persons with  
9 mental disorders, for the prevention of mental illness, and for the care and treatment  
10 of persons with mental disorders, including inpatient and outpatient care and treatment  
11 and the procurement of services of specialists or other persons on a contractual or  
12 other basis;

13 (2) take the actions and undertake the obligations that are necessary to  
14 participate in federal grants-in-aid programs and accept federal or other financial aid  
15 from whatever sources for the study, prevention, examination, care, and treatment of  
16 persons with mental disorders;

17 (3) administer AS 47.30.660 - 47.30.915;

18 (4) designate, operate, and maintain treatment facilities equipped and  
19 qualified to provide inpatient and outpatient care and treatment for persons with mental  
20 disorders;

21 (5) provide for the placement of patients with mental disorders in  
22 designated treatment facilities;

23 (6) enter into arrangements with governmental agencies for the care or  
24 treatment of persons with mental disorders in facilities of the governmental agencies  
25 in the state or in another state;

26 (7) enter into contracts with treatment facilities for the custody and care  
27 or treatment of persons with mental disorders; contracts under this paragraph are  
28 governed by AS 36.30 (State Procurement Code);

29 (8) enter into contracts, which incorporate safeguards consistent with  
30 AS 47.30.660 - 47.30.915 and the preservation of the civil rights of the patients with  
31 another state for the custody and care or treatment of patients previously committed

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## Chapter 5

1 from this state under 48 U.S.C. 46 et seq., and P.L. 84-830, 70 Stat. 709;

2 (9) prescribe the form of applications, records, reports, request for  
3 release, and consents to medical or psychological treatment required by AS 47.30.660 -  
4 47.30.915;

5 (10) require reports from the head of a treatment facility concerning the  
6 care of patients;

7 (11) visit each treatment facility at least annually to review methods  
8 of care or treatment for patients;

9 (12) investigate complaints made by a patient or an interested party on  
10 behalf of a patient;

11 (13) delegate upon mutual agreement to another officer or agency of  
12 it, or a political subdivision of the state, or a treatment facility designated, any of the  
13 duties and powers imposed upon it by AS 47.30.660 - 47.30.915;

14 (14) after consultation with the Alaska Mental Health Trust Authority,  
15 adopt regulations to implement the provisions of AS 47.30.660 - 47.30.915;

16 (15) provide technical assistance and training to providers of mental  
17 health services; and

18 (16) set standards under which each designated treatment facility shall  
19 provide programs to meet patients' medical, psychological, social, vocational,  
20 educational, and recreational needs.

21 \* Sec. 34. AS 47.30.662(a), as repealed and reenacted by sec. 37, ch. 66, SLA 1991, is  
22 amended to read:

23 (a) The board consists of not fewer than 12 [18] nor more than 16 [24]  
24 members appointed by the governor, with due regard for the demographics of the state  
25 and balanced geographic representation of the state. The membership and committees  
26 of the board shall fulfill the requirements of P.L. 99-660, as amended.

47.30.662(a)

27 \* Sec. 35. AS 47.30.666, as repealed and reenacted by sec. 39, ch. 66, SLA 1991, is  
28 amended to read:

29 Sec. 47.30.666. DUTIES OF THE BOARD. The board is the state planning  
30 and coordinating body for the purpose of federal and state laws relating to mental  
31 health services for persons with mental disorders identified in AS 47.30.056(b)(1)

47.30.666

Chapter 5

- 1 [AND (4)]. On behalf of those persons, the board shall
- 2 (1) prepare and maintain a comprehensive plan of treatment and
- 3 rehabilitation services;
- 4 (2) propose an annual implementation plan consistent with the
- 5 comprehensive plan and with due regard for the findings from evaluation of existing
- 6 programs;
- 7 (3) provide a public forum for the discussion of issues related to the
- 8 mental health services for which the board has planning and coordinating
- 9 responsibility;
- 10 (4) advocate the needs of persons with mental disorders before the
- 11 governor, executive agencies, the legislature, and the public;
- 12 (5) advise the legislature, the governor, the Alaska Mental Health Trust
- 13 Authority, and other state agencies in matters affecting persons with mental disorders,
- 14 including, but not limited to,
  - 15 (A) development of necessary services for diagnosis, treatment,
  - 16 and rehabilitation;
  - 17 (B) evaluation of the effectiveness of programs in the state for
  - 18 diagnosis, treatment, and rehabilitation;
  - 19 (C) legal processes that affect screening, diagnosis, treatment,
  - 20 and rehabilitation;
- 21 (6) provide to the Alaska Mental Health Trust Authority for its review
- 22 and consideration recommendations concerning the integrated comprehensive mental
- 23 health program for those persons who are described in AS 47.30.036(b)(1) [AND (4)]
- 24 and the use of money in the mental health trust income account in a manner consistent
- 25 with regulations adopted under AS 47.30.031; and
- 26 (7) submit periodic reports regarding its planning, evaluation, advocacy,
- 27 and other activities.

28 \* Sec. 36. AS 47.30.910(d), as amended by sec. 41, ch. 66, SLA 1991, is further amended  
29 to read:

47.30.910(d)

30 (d) All money paid by the patient or on the patient's behalf to the department  
31 under this section shall be deposited in the general fund | MENTAL HEALTH TRUST

Chapter 5

1 INCOME ACCOUNT ESTABLISHED IN AS 37.14.036].

2 \* Sec. 37. Section 58, ch. 66, SLA 1991, is repealed and reenacted to read:

3 Sec. 58. (a) This Act takes effect only if, not later than December 15, 1994,

4 (1) the superior court of the State of Alaska has made a final  
5 determination that the state has satisfied its obligation to reconstitute the mental health  
6 trust under State v. Weiss, 706 P.2d 681 (Alaska 1985);

7 (2) the superior court has entered a final order dismissing Weiss v.  
8 State, 4FA-82-2208 Civil; and

9 (3) the time for appeals of that determination and that order has expired  
10 with no appeals having been taken or any appeals taken have been finally resolved and  
11 the order dismissing Weiss v. State, 4FA 82 2208 Civil, has been affirmed on appeal.

12 (b) The attorney general shall advise the lieutenant governor and the revisor  
13 of statutes whether the determination required by (a)(1) of this section has been made,  
14 whether the final order required by (a)(2) of this section has been entered, and  
15 whether, as required by (a)(3) of this section, the time for appeals of that determination  
16 and that order has expired with no appeals having been taken as of that date or any  
17 appeals taken have been finally resolved and the order dismissing Weiss v. State, 4FA-  
18 82-2208 Civil, has been affirmed on appeal.

19 \* Sec. 38. Chapter 66, SLA 1991, is amended by adding a new section to read:

20 Sec. 59. If, under sec. 58 of this Act, this Act takes effect, it takes effect  
21 December 16, 1994.

22 \* Sec. 39. AS 37.14.009(b), 37.14.011, 37.14.021, 37.14.036(c); AS 38.05.800;  
23 AS 47.30.031(b)(2); secs. 1, 2, 4, and 5, ch. 132, SLA 1986; secs. 7 - 10, ch. 48, SLA 1987;  
24 and secs. 49, 50, 53 - 57, ch. 66, SLA 1991, are repealed.

25 \* Sec. 40. MENTAL HEALTH TRUST RECONSTITUTED. (a) For the purpose of  
26 reconstituting the mental health trust established under the Alaska Mental Health Enabling  
27 Act, P.L. 84-830, 70 Stat. 709 (1956), as required by the Alaska Supreme Court's decision in  
28 Weiss v. State, 706 P.2d 681 (Alaska 1985), the following land is designated as mental health  
29 trust land:

30 (1) the original mental health land listed in "Original Mental Health Land To  
31 Be Designated as Mental Health Trust Land, April 28, 1994," located in the office of the

Repealer

## Chapter 5

1 director of the division of lands, Department of Natural Resources, in Anchorage, Alaska; and  
 2 (2) the state land listed in "Other State Land To Be Designated as Mental  
 3 Health Trust Land, April 28, 1994," located in the office of the director of the division of  
 4 lands, Department of Natural Resources, in Anchorage, Alaska.

5 (b) All land designated as mental health trust land under this section remains subject  
 6 to all encumbrances or interests of record, noted on records maintained by the Department of  
 7 Natural Resources, or otherwise existing on the effective date of this section

8 (c) To the extent the state's liability to the mental health trust for the fair market value  
 9 of the land described in sec. 41 of this Act is not satisfied by the set-off for state mental  
 10 health expenditures authorized by the Alaska Supreme Court in *State v. Weiss*, 706 P.2d 681  
 11 (Alaska 1985), the state land described in (d)(2) of this section, the other compensation made  
 12 by this Act, and appropriations from the general fund for the state's integrated comprehensive  
 13 mental health program compensate the trust

14 (1) first, for land conveyed or made subject to a contract for conveyance by  
 15 the Department of Natural Resources to third parties that are not state agencies or political  
 16 subdivisions of the state;

17 (2) second, for land conveyed by the Department of Natural Resources to  
 18 municipalities, and

19 (3) third, for the other land described in sec. 41 of this Act.

20 \* Sec. 41. CONFIRMATION AND RATIFICATION OF CONVERSION OF CERTAIN  
 21 ORIGINAL MENTAL HEALTH LAND TO GENERAL GRANT LAND, CONTINGENT  
 22 CONVERSION OF CERTAIN ORIGINAL MENTAL HEALTH LAND TO GENERAL  
 23 GRANT LAND, AND CONFIRMATION AND RATIFICATION OF ACTIONS TAKEN  
 24 WITH RESPECT TO CONVERTED LAND. (a) Except for the land described in sec. 40 of  
 25 this Act,

26 (1) the conversion to general grant land by sec. 3(a), ch. 181, SLA 1978, and  
 27 sec. 1(d), ch. 182, SLA 1978, of all land obtained by the state under the Alaska Mental Health  
 28 Enabling Act, P.L. 84-830, 70 Stat. 709 (1956), and not listed in "Original Mental Health  
 29 Land To Be Designated as Mental Health Trust Land, April 28, 1994," located in the office  
 30 of the director of the division of lands, Department of Natural Resources, in Anchorage,  
 31 Alaska, is confirmed and ratified; and

## Chapter 5

1 (2) land patented to or approved for patent to the state under the Alaska Mental  
 2 Health Enabling Act after July 1, 1978, and not listed in "Original Mental Health Land To Be  
 3 Designated as Mental Health Trust Land, April 28, 1994," located in the office of the director  
 4 of the division of lands, Department of Natural Resources, in Anchorage, Alaska, is  
 5 redesignated as general grant land if it was not converted to general grant land by sec. 3(a),  
 6 ch. 181, SLA 1978, and sec. 1(a), ch. 182, SLA 1978.

7 (b) The land affected by this section includes the land listed in "Original Mental  
 8 Health Land Not To Be Returned to Mental Health Trust Status, April 28, 1994," located in  
 9 the office of the director of the division of lands, Department of Natural Resources, in  
 10 Anchorage, Alaska.

11 (c) All dispositions and uses of the land identified under (a) of this section, including  
 12 without limitation the creation by the state or the transfer by the state of an interest in the land  
 13 or the designation of the land as part of a state park, state forest, state game refuge, state  
 14 wildlife refuge, state game sanctuary, state recreational area, state recreational river, state  
 15 wilderness park, state marine park, state special management area, state public use area,  
 16 critical habitat area, bald eagle preserve, bison range, or moose range are confirmed and  
 17 ratified.

18 \* Sec. 42. STATE MENTAL HEALTH EXPENDITURES TO BE SET-OFF AGAINST  
 19 STATE MONETARY LIABILITY FOR ORIGINAL MENTAL HEALTH LAND NOT  
 20 RETURNED TO TRUST STATUS. To the extent the state is liable to the mental health trust  
 21 for the fair market value of any original mental health land not returned to trust status under  
 22 sec. 40(a)(1) of this Act, after taking into account the fair market value of the state land  
 23 designated as mental health trust land under sec. 40(a)(2) of this Act, the set off against that  
 24 liability for state mental health expenditures since 1978 to which the state is entitled under  
 25 *State v. Weiss*, 706 P.2d 681 (Alaska 1985), totals \$1,320,000,000.

26 \* Sec. 43. TRANSITIONAL PROVISIONS, DEVELOPMENT OF MENTAL HEALTH  
 27 TRUST INCOME ACCOUNT MECHANISM. Not later than January 1, 1996, the Board of  
 28 Trustees of the Alaska Mental Health Trust Authority, after consulting with organizations and  
 29 persons affected by this Act, shall

30 (1) consistent with AS 47.30.050(h), added by sec. 26, ch. 66, SLA 1991,  
 31 adopt regulations regarding persons who are to receive services funded by money in the

## Chapter 5

1 mental health trust income account under AS 37.14.036, as added by sec. 11, ch. 66, SLA  
2 1991, and amended by secs. 15 and 39 of this Act;

3 (2) publish its findings and estimates regarding the number of persons in need  
4 under the regulations adopted under (1) of this section;

5 (3) consistent with AS 47.30.056(j), added by sec. 26, ch. 66, SLA 1991, adopt  
6 regulations regarding the services and facilities upon which expenditures are to be made from  
7 money in the mental health trust income account under AS 37.14.036, added by sec. 11,  
8 ch. 66, SLA 1991, and amended by secs. 15 and 39 of this Act; and

9 (4) publish its findings and projections regarding the necessary expenditure of  
10 money from the mental health trust income account under AS 37.14.036, as added by sec. 11,  
11 ch. 66, SLA 1991, and amended by secs. 15 and 39 of this Act.

12 \* Sec. 44. ADDITIONAL COMPENSATION TO MENTAL HEALTH TRUST. (a) To  
13 the extent the state has any additional monetary liability to the mental health trust for original  
14 mental health land not returned to trust status under sec. 40(a)(1) of this Act after taking into  
15 account the fair market value of the other state land under sec. 40(a)(2) of this Act and the  
16 set-off for state mental health expenditures under sec. 42 of this Act, the commissioner of  
17 revenue shall allocate sufficient unrestricted state general funds to the mental health trust  
18 income and proceeds account (AS 37.14.013), established by sec. 10 of this Act, to satisfy that  
19 liability. The money so allocated is additional compensation to the mental health trust for the  
20 original mental health land not returned to trust status under sec. 40(a)(1) of this Act. An  
21 allocation under this subsection may not exceed \$100,000,000 during any one state fiscal year.

22 (b) After appropriations from the mental health trust income and proceeds account  
23 have been made to pay for the state's mental health program, the legislature may

24 (1) transfer to the general fund an amount equal to the remaining unrestricted  
25 state general funds allocated by the commissioner of revenue to the mental health trust income  
26 and proceeds account under (a) of this section; and

27 (2) appropriate any part or all of the amount transferred under (1) of this  
28 subsection for other public purposes.

29 \* Sec. 45. REPLACEMENT LAND OF MUNICIPALITIES. A municipality may obtain  
30 replacement land under AS 29.65.060(h), added by sec. 2 of this Act, for land that had been  
31 conveyed by the state to the municipality only if the land is on the list of "Original Mental

## Chapter 5

1 Health Land To Be Designated as Mental Health Trust Land, April 28, 1994," or on the list  
2 of "Other State Land To Be Designated as Mental Health Trust Land, April 28, 1994," both  
3 of which are located in the office of the director of the division of lands, Department of  
4 Natural Resources, in Anchorage, Alaska.

5 \* Sec. 46. TRANSITIONAL PROVISIONS: MEMBERS OF THE ALASKA MENTAL  
6 HEALTH BOARD. Notwithstanding AS 47.30.662, as amended by sec. 37, ch. 66, SLA  
7 1991, and sec. 34 of this Act, the members of the Alaska Mental Health Board who are  
8 serving on the effective date of this section continue to serve their unexpired terms.  
9 Vacancies on the board occurring after the effective date of this section, and new positions  
10 created by this section, shall be filled by the governor under the provisions of AS 47.30.662,  
11 as amended by sec. 37, ch. 66, SLA 1991, and sec. 34 of this Act. When making  
12 appointments to new positions on the board, the governor shall ensure that the initial terms  
13 of new members maintain the staggered term requirement of AS 47.30.663.

14 \* Sec. 47. If, on or before November 30, 1994, the governor determines that it is in the  
15 best interest of the beneficiaries of the mental health trust and the state that the December 15,  
16 1994, deadline be extended, the governor at that time may extend the December 15, 1994,  
17 deadline for not more than 45 days.

18 \* Sec. 48. If the conditions of sec. 58, ch. 66, SLA 1991, as amended by sec. 37 of this  
19 Act, are not met on or before December 15, 1994, or on a date determined by the governor  
20 under sec. 47 of this Act, then ch. 66, SLA 1991, is repealed and secs. 3 - 9, 12 - 16, 19 - 21,  
21 23 - 30, 33 - 36, 43, and 46 of this Act do not take effect.

22 \* Sec. 49. If the conditions of sec. 58, ch. 66, SLA 1991, as amended by sec. 37 of this  
23 Act, are met on or before December 15, 1994, or on a date determined by the governor under  
24 sec. 47 of this Act, then AS 37.14.013, added by sec. 10 of this Act, AS 37.14.023, added by  
25 sec. 11 of this Act, AS 47.30.546, and sec. 44 of this Act are repealed.

26 \* Sec. 50. Subject to sec. 48 of this Act, secs. 3 - 9, 12 - 16, 19 - 21, 23 - 30, 33 - 36, 43,  
27 and 46 of this Act take effect December 16, 1994, or on a date determined by the governor  
28 under sec. 47 of this Act.

29 \* Sec. 51. Sections 48 and 49 of this Act take effect December 16, 1994, or on a date  
30 determined by the governor under sec. 47 of this Act.

31 \* Sec. 52. Sections 1, 2, 10, 11, 17, 18, 22, 31, 32, 37 - 42, 44, 45, and 47 of this Act take

**Chapter 5**

Sections 3-9,  
12-16, 19-21,  
23-30, 33-36,  
43, 46, 48,  
and 49 are  
conditional;  
remainder of  
Act eff.  
6/24/94

1 effect immediately under AS 01.10.070(c).

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## Chapter 6

## AN ACT

1 Making appropriations to capitalize the mental health trust fund from the balance of the mental  
 2 health trust income account on June 30, 1995, mental health trust income of the Department  
 3 of Natural Resources in the general fund, proceeds from sale of Department of Natural  
 4 Resources land sale contract portfolio, and constitutional budget reserve fund; making an  
 5 appropriation from the constitutional budget reserve fund under art. IX, sec. 17(c), Constitution  
 6 of the State of Alaska; and providing for an effective date.

7  
 8 \* Section 1. (a) The sum of \$200,000,000 is appropriated to the mental health trust fund  
 9 (AS 37.14.031), added by sec. 11, ch. 66, SLA 1991, from the following sources, in the  
 10 amounts listed, to capitalize the mental health trust fund:

11	SOURCE	APPROPRIATION
12	Mental health trust income account	\$ 33,000,000

Chapter 6

- 1 (e) The appropriations made by (a) of this section are for the capitalization of funds
- 2 and do not lapse.
- 3 • Sec. 2. This Act takes effect immediately under AS 01.10.070(c).

Eff. 6/24/94

## Chapter 6

## AN ACT

1 Making appropriations to capitalize the mental health trust fund from the balance of the mental  
 2 health trust income account on June 30, 1995, mental health trust income of the Department  
 3 of Natural Resources in the general fund, proceeds from sale of Department of Natural  
 4 Resources land sale contract portfolio, and constitutional budget reserve fund; making an  
 5 appropriation from the constitutional budget reserve fund under art. IX, sec. 17(c), Constitution  
 6 of the State of Alaska; and providing for an effective date.

7

8 \* Section 1. (a) The sum of \$200,000,000 is appropriated to the mental health trust fund  
 9 (AS 37.14.031), added by sec. 11, ch. 66, SLA 1991, from the following sources, in the  
 10 amounts listed, to capitalize the mental health trust fund:

11	SOURCE	APPROPRIATION
12	Mental health trust income account	\$ 33,000,000

## Chapter 6

1	(AS 37.14.011) balance on June 30, 1995		1
2	Department of Natural Resources - mental health	11,700,000	2
3	trust income in the general fund		3
4	Proceeds from sale of Department of	25,000,000	
5	Natural Resources land sale contract		
6	portfolio		
7	Budget reserve fund (art. IX,	130,300,000	
8	sec. 17(c), Constitution of the State		
9	of Alaska)		
10	(b) The appropriations made by (a) of this section are contingent upon		
11	(1) the enactment into law of a bill passed by the Eighteenth Alaska State		
12	Legislature that amends ch. 66, SLA 1991, and contains other provisions relating to the mental		
13	health land trust and mental health land trust litigation (Weiss v. State, 4FA-82-2208 Civil);		
14	and		
15	(2) not later than December 15, 1994,		
16	(A) the superior court of the State of Alaska having made a final		
17	determination that the state has satisfied its obligation to reconstitute the mental health		
18	trust under State v. Weiss, 706 P.2d 681 (Alaska 1985);		
19	(B) the superior court having entered a final order dismissing Weiss v.		
20	State, 4FA-82-2208 Civil; and		
21	(C) the time for appeals of that determination and that order having		
22	expired with no appeals having been taken as of that date or any appeals taken having		
23	been finally resolved and the order dismissing Weiss v. State, 4FA-82-2208 Civil,		
24	having been affirmed on appeal.		
25	(c) If, on or before November 30, 1994, the governor determines that it is in the best		
26	interest of the beneficiaries of the mental health trust and the state that the December 15,		
27	1994, deadline in (b)(2) of this section be extended, the governor at that time may extend the		
28	December 15, 1994, deadline for not more than 45 days.		
29	(d) The appropriation made by (a) of this section from the constitutional budget		
30	reserve fund (art. IX, sec. 17, Constitution of the State of Alaska) is made under art. IX,		
31	sec. 17(c), Constitution of the State of Alaska.		

Chapter 6

- 1 (c) The appropriations made by (a) of this section are for the capitalization of funds
- 2 and do not lapse.
- 3 • Sec. 2. This Act takes effect immediately under AS 01.10.070(c).

Eff. 6/24/94



# LAWS OF ALASKA

1991

**Source**

HCS CSSSSB 65(FIN)

**Chapter No.**

66

**AN ACT**

Establishing the Alaska Mental Health Trust Authority and defining its powers and duties; relating to the trust established by the Alaska Mental Health Enabling Act of 1956 and to an integrated comprehensive mental health program; abolishing the Interim Mental Health Trust Commission; relating to the Older Alaskans Commission and the Governor's Council for the Handicapped and Gifted, and services provided under the Uniform Alcoholism and Intoxication Treatment Act; amending the duties of the Alaska Permanent Fund Corporation and the membership and duties of the Advisory Board on Alcoholism and Drug Abuse and the Alaska Mental Health Board; amending the jurisdiction of courts; exempting trust property from municipal taxation; and providing for an effective date.

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

THE ACT FOLLOWS ON PAGE 1

Approved by the Governor: June 19, 1991  
Actual Effective Date: Conditional

AN ACT

1           Establishing the Alaska Mental Health Trust Authority and defining its powers and  
2           duties; relating to the trust established by the Alaska Mental Health Enabling Act of  
3           1956 and to an integrated comprehensive mental health program; abolishing the Interim  
4           Mental Health Trust Commission; relating to the Older Alaskans Commission and the  
5           Governor's Council for the Handicapped and Gifted, and services provided under the  
6           Uniform Alcoholism and Intoxication Treatment Act; amending the duties of the Alaska  
7           Permanent Fund Corporation and the membership and duties of the Advisory Board on  
8           Alcoholism and Drug Abuse and the Alaska Mental Health Board; amending the  
9           jurisdiction of courts; exempting trust property from municipal taxation; and providing  
10          for an effective date.

11  
12  
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14          \* Section 1. PURPOSE. (a) It is the purpose of this Act to implement the state's obligation as the  
15          trustee of the trust established by the Alaska Mental Health Enabling Act of 1956, P.L. 84-830, 70 Stat.  
16          709, by providing an integrated comprehensive mental health program and by resolving the serious and  
17          significant legal questions attending the status of that trust

18                           (1) in accordance with State v. Weiss, 706 P.2d 681 (Alaska 1985);

19                           (2) in a manner that

20                                   (A) provides fair compensation to the trust as agreed upon by the parties to the  
21          litigation, subject to approval by the court as fair and equitable to the beneficiaries of the trust;

Chapter 66

1 (B) provides adequate assurances that the trust will be administered properly and  
2 in a way that determines and meets the necessary expenses of a comprehensive service program  
3 for the beneficiaries of the trust;

4 (C) assures appropriate expenditures from the trust;

5 (D) establishes an independent trust authority; and

6 (E) is enforceable.

7 (b) It is the further purpose of this Act that the trust serve, at a minimum, the mentally ill, the  
8 mentally defective and retarded, chronic alcoholics suffering from psychoses, and senile people who as  
9 a result of their senility suffer major mental illness.

10 • Sec. 2. AS 09.25.050(a) is amended to read:

11 (a) The uninterrupted adverse notorious possession of real property under color and claim  
12 of title for seven years or more is conclusively presumed to give title to the property except as  
13 against the state or the United States. For the purpose of this section, land that is in the trust  
14 established by the Alaska Mental Health Enabling Act of 1956, P.L. 84-830, 70 Stat. 709,  
15 is land owned by the state.

16 • Sec. 3. AS 29.45.030(a) is amended to read:

17 (a) The following property is exempt from general taxation:

18 (1) municipal, state, or federally owned property, or land that is in the trust  
19 established by the Alaska Mental Health Enabling Act of 1956, P.L. 84-830, 70 Stat. 709,

20 except that a private leasehold, contract, or other interest in the property is taxable to the extent  
21 of the interest;

22 (2) household furniture and personal effects of members of a household;

23 (3) property used exclusively for nonprofit religious, charitable, cemetery,  
24 hospital, or educational purposes;

25 (4) property of a nonbusiness organization composed entirely of persons with 90  
26 days or more of active service in the armed forces of the United States whose conditions of  
27 service and separation were other than dishonorable, or the property of an auxiliary of that  
28 organization;

29 (5) money on deposit;

30 (6) the real property of certain residents of the state to the extent and subject to

1 the conditions provided in (e) of this section;

2 (7) real property or an interest in real property that is exempt from taxation under  
3 43 U.S.C. 1620(d), as amended.

4 • Sec. 4. AS 36.30.850(b) is amended to read:

5 (b) This chapter applies to every expenditure of state money by the state, acting through  
6 an agency, under a contract, except that this chapter does not apply to

7 (1) grants;

8 (2) contracts for professional witnesses to provide for professional services or  
9 testimony relating to existing or probable lawsuits in which the state is or may become a party;

10 (3) contracts of the University of Alaska where the work is to be performed  
11 substantially by students enrolled in the university;

12 (4) contracts for medical doctors and dentists;

13 (5) acquisitions or disposal of real property or interest in real property, except  
14 as provided in AS 36.30.080;

15 (6) disposals under AS 38.05;

16 (7) contracts for the preparation of ballots under AS 15.15.030;

17 (8) acquisitions or disposals of property and other contracts relating to airports  
18 under AS 02.15.070, 02.15.090, and 02.15.091;

19 (9) disposals of obsolete property under AS 19.05.060;

20 (10) disposals of obsolete material or equipment under AS 35.20.060;

21 (11) agreements with providers of services under AS 44.47.250; AS 47.07;  
22 AS 47.08; AS 47.10; AS 47.17; AS 47.24; AS 47.25.195, and 47.25.310;

23 (12) contracts of the Department of Fish and Game for flights that involve  
24 specialized flying and piloting skills and are not point-to-point;

25 (13) purchases of income-producing assets for the state treasury or a public  
26 corporation of the state;

27 (14) operation of the state boarding school established under AS 14.16, if the  
28 State Board of Education or the commissioner of education adopts regulations for use by the state  
29 boarding school in procurement and contracting;

30 (15) a contract that is a delegation, in whole or in part, of investment powers held

Chapter 66

1 by the commissioner of revenue under AS 14.25.180, AS 14.40.400, AS 14.42.200, 14.42.210,  
2 AS 18.56.095, AS 22.25.049, AS 26.05.228, AS 37.10.070, 37.10.071, AS 37.14, or  
3 AS 39.35.080;

4 (16) a contract that is a delegation, in whole or in part, of investment powers of

5 (A) the Board of Trustees of the Alaska Permanent Fund Corporation  
6 under AS 37.13;

7 (B) the Alaska Mental Health Trust Authority under AS 37.14.001 -  
8 37.14.099;

9 (17) the purchase of books, book binding services, newspapers, periodicals,  
10 audio-visual materials, network information services access, approval plans, professional  
11 memberships, archival materials, objects of art, and items for museum or archival acquisition  
12 having cultural, historical, or archaeological significance; in this paragraph

13 (A) "approval plans" means book selection services in which current book  
14 titles meeting an agency's customized specifications are provided to the agency subject  
15 to the right of the agency to return those books that do not meet with the agency's  
16 approval;

17 (B) "archival materials" means the noncurrent records of an agency that are  
18 preserved after appraisal because of their value;

19 (C) "audio-visual materials" means nonbook prerecorded materials,  
20 including records, tapes, slides, transparencies, films, filmstrips, cassettes, videos, compact  
21 discs, laser discs, and items that require the use of equipment to render them usable;

22 (D) "network information services" means a group of resources from which  
23 cataloging information, holdings records, inter-library loans, acquisitions information, and  
24 other reference resources can be obtained;

25 (18) contracts for the purchase of standardized examinations for licensure under  
26 AS 08;

27 (19) contracts for home health care and adult residential and foster care services  
28 provided under regulations adopted by the Department of Health and Social Services;

29 (20) contracts for supplies or services for research projects funded by money  
30 received from the federal government or private grants; or

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(21) guest speakers or performers for an educational or cultural activity.

\* Sec. 5. AS 37.05.146 is amended to read:

Sec. 37.05.146. DEFINITION OF PROGRAM RECEIPTS. In AS 37.05.142 - 37.05.146 and AS 37.07.080, "program receipts" means fees, charges, income earned on assets, and other state money received by a state agency in connection with the performance of its functions; all program receipts except the following are general fund program receipts:

- (1) federal receipts;
- (2) University of Alaska receipts (AS 14.40.491);
- (3) individual, foundation, or corporation gifts, grants, or bequests that by their terms are restricted to a specific purpose;
- (4) receipts of the following funds:
  - (A) highway working capital fund (AS 44.68.210);
  - (B) correctional industries fund (AS 33.32.020);
  - (C) loan funds;
  - (D) international airport revenue fund (AS 37.15.430);
  - (E) funds managed by the Alaska State Housing Authority (AS 18.55.020), the Alaska Housing Finance Corporation (AS 18.56.020), the Medical Indemnity Corporation of Alaska (AS 21.88.020), the Alaska Railroad Corporation (AS 42.40.010), the Municipal Bond Bank Authority (AS 44.85.020), or the Alaska Industrial Development and Export Authority (AS 44.88.020);
  - (F) fish and game fund (AS 16.05.100);
  - (G) school fund (AS 43.50.140);
  - (H) training and building fund (AS 23.20.130);
  - (I) retirement funds (AS 14.25, AS 22.25, AS 26.05.222, AS 39.35, and former AS 39.37);
  - (J) permanent fund (art. IX, sec. 15, Alaska Constitution);
  - (K) public school trust fund (AS 37.14.110);
  - (L) second injury fund (AS 23.30.040);
  - (M) fishermen's fund (AS 23.35.060);
  - (N) FICA administration fund (AS 39.30.050);



1           **AS 37.13.010 - 37.13.210 (THIS CHAPTER).**

2           • **Sec. 9.** AS 37.13. is amended by adding a new section to read:

3                   **Sec. 37.13.300. CORPORATION TO MANAGE CERTAIN ASSETS OF THE MENTAL**  
4                   **HEALTH TRUST.** (a) Subject to agreement with the Alaska Mental Health Trust Authority  
5                   (AS 47.30.011) entered into under AS 37.14.009(a)(5), the corporation shall manage the cash  
6                   assets of the corpus of the trust established under the Alaska Mental Health Enabling Act of  
7                   1956, P.L. 84-830, 70 Stat. 709.

8                   (b) The corporation shall

9                           (1) hold and invest the cash assets of the corpus of the trust that are transferred  
10                          to its custody subject to AS 37.13.120;

11                          (2) at least quarterly, prepare, publish, and distribute to the Board of Trustees of  
12                          the Alaska Mental Health Trust Authority a financial report showing investment revenue and  
13                          expenditures, including the allocation of the cash assets of the trust among investments;

14                          (3) annually prepare, publish, and distribute to the Board of Trustees of the Alaska  
15                          Mental Health Trust Authority financial statements prepared in accordance with generally  
16                          accepted accounting principles consistently applied, and an audit report prepared by a certified  
17                          public accountant; and

18                          (4) periodically advise the Board of Trustees of the Alaska Mental Health Trust  
19                          Authority when revisions to long-range investment policy, including asset allocation changes, are  
20                          contemplated, and provide an opportunity for consultation and comment on the changes before  
21                          they are implemented.

22                   (c) Net income from the cash assets of the corpus of the trust managed under this section  
23                   may not be included in the computation of net income available for distribution under  
24                   AS 37.13.140.

25           • **Sec. 10.** AS 37.14 is amended by adding new sections to read:

26                   **Sec. 37.14.001. MENTAL HEALTH TRUST.** In carrying out its trust obligations under  
27                   the Mental Health Enabling Act of 1956, the state acts through the governor, the legislature, and  
28                   the Alaska Mental Health Trust Authority (AS 47.30.011).

29                   **Sec. 37.14.003. RESPONSIBILITIES OF THE GOVERNOR.** (a) In reviewing  
30                   appropriations from the mental health trust income account proposed by the authority, the

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1           governor shall consider the needs of the beneficiaries of the trust without regard to other potential  
2           objects of state expenditure. The governor shall, by December 15 of each year, submit to the  
3           legislature a separate appropriation bill limited to appropriations from the mental health trust  
4           income account.

5           (b) If the appropriations in the bill submitted by the governor under (a) of this section  
6           differ from those proposed by the authority, the bill must contain findings explaining the reasons  
7           for the differences and providing the basis for determining that the proposed appropriations meet  
8           the needs of the beneficiaries of the trust. If the governor proposes to increase the amount of  
9           money to be transferred from the mental health trust income account to the unrestricted general  
10          fund over the authority's recommendation made under AS 47.30.046(a)(3), the bill must contain  
11          findings supporting the determination that the additional money is not reasonably necessary to  
12          meet the projected operating and capital expenses of the integrated comprehensive mental health  
13          program to be financed from the trust.

14          (c) In reviewing the appropriations of money from the mental health trust income account  
15          for possible veto, the governor shall consider only the needs of the beneficiaries of the trust  
16          without regard to other potential objects of state expenditures. If the governor vetoes all or a part  
17          of an appropriation of money from the mental health trust income account, the governor's veto  
18          message must include the reasons the governor believes the remaining appropriations meet the  
19          needs of the beneficiaries of the trust.

20          Sec. 37.14.005. RESPONSIBILITIES OF THE LEGISLATURE. (a) The legislature  
21          shall annually pass and transmit to the governor a bill making appropriations of money from the  
22          mental health trust income account no later than the 75th day of the regular session.

23          (b) Before taking action on appropriations from the mental health trust income account  
24          proposed by the governor, the legislature shall consider the needs of the beneficiaries of the trust  
25          without regard to other potential objects of state expenditure. The legislature shall make  
26          appropriations from the mental health trust income account in a separate appropriation bill limited  
27          to appropriations from the mental health trust income account.

28          (c) If the appropriations in the bill passed by the legislature differ from those proposed  
29          by the authority, the bill must contain findings explaining the reasons for the differences and  
30          providing the basis for determining that the appropriations meet the needs of the beneficiaries of

1 the trust. If the legislature increases the amount of money to be transferred from the trust to the  
2 general fund over the authority's recommendation made under AS 47.30.046(a)(3), the bill must  
3 contain findings supporting the determination that the additional money is not reasonably  
4 necessary to meet the projected operating and capital expenses of the integrated comprehensive  
5 mental health program to be financed from the trust.

6 Sec. 37.14.007. AUTHORITY AS TRUSTEE. (a) The Alaska Mental Health Trust  
7 Authority, established by AS 47.30.011, is the trustee of the trust established under the Alaska  
8 Mental Health Enabling Act of 1956, P.L. 84-830, 70 Stat. 709.

9 (b) In exercising the powers, duties, and responsibilities as trustee, the authority is under  
10 a duty to the public and the trust beneficiaries to

- 11 (1) administer the trust solely in the interest of the beneficiaries;
- 12 (2) keep and render clear and accurate accounts with respect to the administration  
13 of the trust;
- 14 (3) make public and available complete and accurate information as to the nature  
15 and amount of the trust property;
- 16 (4) exercise a high degree of care in administering the trust;
- 17 (5) take reasonable steps to take and keep control of the trust property;
- 18 (6) use care and skill to preserve the trust property;
- 19 (7) take reasonable steps to realize on claims that are held in trust;
- 20 (8) defend against actions that may result in a loss to the trust estate, unless under  
21 all the circumstances, considering the other duties owed to the trust, it is reasonable not to make  
22 the defense;
- 23 (9) separately account for trust property;
- 24 (10) ensure that trust property is designated as property of the trust;
- 25 (11) use care and skill to make the trust property productive; however, nothing  
26 in this paragraph shall prevent the state from using trust property directly or indirectly, by  
27 contractual stipulation or otherwise, as a component of the state's mental health trust program;  
28 and
- 29 (12) deal impartially with the different trust beneficiaries as provided in  
30 AS 47.30.056.

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1                   Sec. 37.14.009. TRUST MANAGEMENT. (a) The Alaska Mental Health Trust  
2 Authority

3                   (1) shall manage the assets of the trust in a fiduciary manner to fulfill the  
4 purposes of the trust:

5                   (2) may, consistent with (1) of this subsection and AS 47.30.036(1), sell, lease,  
6 exchange, or otherwise dispose of land in the trust:

7                   (3) may, consistent with (1) of this subsection, use land that is an asset of the  
8 trust directly for the integrated comprehensive mental health program:

9                   (4) may contract with the Department of Natural Resources to manage the land  
10 assets of the trust; and

11                   (5) shall contract with the Alaska Permanent Fund Corporation for management  
12 of the trust's cash assets, unless the authority finds that the best interests of trust beneficiaries  
13 would be served by contracting with another entity.

14                   (b) In exercising its power under (a)(2) or (3) of this section, the authority shall give  
15 public notice in the manner provided under AS 38.05.945(b) and (c), but is not otherwise bound  
16 by the provisions of AS 38.04 or AS 38.05.

17       \* Sec. 11. AS 37.14 is amended by adding new sections to read:

18                   Sec. 37.14.031. TRUST FUND ESTABLISHED. The mental health trust fund is  
19 established as a separate fund within the state treasury. The fund consists of the cash assets of  
20 the principal of the trust.

21                   Sec. 37.14.036. TRUST INCOME ACCOUNT ESTABLISHED. (a) The mental health  
22 trust income account is established as a separate account within the general fund of the state.  
23 The mental health trust income account consists of

24                   (1) fees, charges, income earned on assets, and other money received by the trust  
25 that is not attributable to the principal of the trust;

26                   (2) money deposited in the account in accordance with appropriations or  
27 allocations made by law;

28                   (3) the amounts allocated to it under (c) of this section.

29                   (b) The authority may establish subaccounts within the mental health trust income  
30 account.

1 (c) In each of the following state fiscal years, the commissioner of revenue shall allocate  
 2 from the general fund of the state to the mental health trust income account in the general fund  
 3 an amount equal to the percent of the unrestricted revenue of the state specified for that fiscal  
 4 year:

5 FISCAL YEAR ENDING	PERCENT OF UNRESTRICTED STATE REVENUE
6 June 30, 1992	six percent
7 June 30, 1993	six percent
8 June 30, 1994	five percent
9 June 30, 1995	five percent
10 June 30, 1996	four percent
11 June 30, 1997	four percent
12 June 30, 1998	three percent
13 June 30, 1999	three percent
14 June 30, 2000	two percent
15 June 30, 2001	two percent
16 June 30, 2002	one percent
17 June 30, 2003	one percent

18 Sec. 37.14.099. DEFINITIONS. In AS 37.14.001 - 37.14.099,

19 (1) "authority" means the Alaska Mental Health Trust Authority established under  
 20 AS 47.30.011;

21 (2) "board" means the board of trustees of the authority;

22 (3) "enabling Act" means the Alaska Mental Health Enabling Act of 1956, P.L.  
 23 84-830, 70 Stat. 709.

24 \* Sec. 12. AS 38.07.030(c) is amended to read:

25 (c) The cost of clearing land leased from the state, including but not limited to school  
 26 [AND MENTAL HEALTH] land, shall be borne by the state. The lessee shall repay the cost  
 27 over a 10-year period at five percent interest.

28 \* Sec. 13. AS 39.25.120(c)(9) is amended to read:

29 (9) the principal executive officer of the following boards, councils, or  
 30 commissions:

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- 1 (A) Alaska Public Broadcasting Commission;  
2 (B) Professional Teaching Practices Commission;  
3 (C) Parole Board;  
4 (D) Board of Nursing;  
5 (E) Real Estate Commission;  
6 (F) Alaska Royalty Oil and Gas Development Advisory Board;  
7 (G) Alaska Historical Commission;  
8 (H) Alaska State Council on the Arts;  
9 (I) Alaska Police Standards Council;  
10 (J) Older Alaskans Commission;  
11 (K) Alaska Mental Health Board;  
12 (L) State Medical Board;  
13 (M) Governor's Council for the Handicapped and Gifted;  
14 (N) Advisory Board on Alcoholism and Drug Abuse;
- 15 • Sec. 14. AS 41.15 is amended by adding a new section to read:  
16 Sec. 41.15.025. FIRE PROTECTION ON MENTAL HEALTH TRUST LAND. Land  
17 that is in the mental health trust is, for the purpose of wild fire suppression, land owned by the  
18 state.
- 19 • Sec. 15. AS 44.21.230(a) is amended to read:  
20 (a) The commission shall  
21 (1) formulate a comprehensive statewide plan that identifies the concerns and  
22 needs of older Alaskans and, with reference to the plan adopted, prepare and submit to the  
23 governor and legislature an annual analysis and evaluation of the services that are provided to  
24 older Alaskans;  
25 (2) make recommendations directly to the governor and legislature with respect  
26 to legislation, regulations, and appropriations for programs or services that benefit older Alaskans;  
27 (3) encourage and aid the development of municipal commissions serving older  
28 Alaskans and community-oriented programs and services for the benefit of older Alaskans;  
29 (4) employ an executive director who serves at the pleasure of the commission;  
30 (5) help older Alaskans lead dignified, independent, and useful lives;

- 1 (6) request and receive reports and audits from state agencies and local institutions
- 2 concerned with the conditions and needs of older Alaskans;
- 3 (7) administer, with the approval of the commissioner of administration, federal
- 4 programs as provided under 42 U.S.C. 3001 - 3045i (Older Americans Act), as amended;
- 5 (8) administer, with the approval of the commissioner of administration, state
- 6 programs as provided under AS 47.65; [AND]
- 7 (9) give assistance, on request, to the senior housing office in the Department of
- 8 Community and Regional Affairs in administration of the senior housing loan program under
- 9 AS 44.47.587 - 44.47.609 and in the performance of the office's other duties under
- 10 AS 44.47.585; and
- 11 (10) provide to the Alaska Mental Health Trust Authority, for its review and
- 12 consideration, recommendations concerning the integrated comprehensive mental health
- 13 program for persons who are described in AS 47.30.056(b)(4) and the use of the money in
- 14 the mental health trust income account in a manner consistent with regulations adopted
- 15 under AS 47.30.031.
- 16 • Sec. 16. AS 44.29.022 is amended by adding a new subsection to read:
- 17 (d) A regulation that establishes a fee for services under AS 44.29.020(a)(7) that are part
- 18 of the integrated comprehensive mental health program under AS 47.30 may be adopted under
- 19 this section after consultation with the Alaska Mental Health Trust Authority.
- 20 • Sec. 17. AS 44.29.024 is amended by adding a new subsection to read:
- 21 (c) A regulation that establishes a schedule of reasonable fees for services provided by
- 22 a contractor or grantee that are part of the integrated comprehensive mental health program
- 23 established under AS 47.30 may be adopted under this section after consultation with the Alaska
- 24 Mental Health Trust Authority.
- 25 • Sec. 18. AS 44.29.100 is amended to read:
- 26 Sec. 44.29.100. ADVISORY BOARD ON ALCOHOLISM AND DRUG ABUSE. There
- 27 is established in the Department of Health and Social Services an advisory board on alcoholism
- 28 and drug abuse. [THE BOARD SHALL FUNCTION AS A STANDING COMMITTEE OF THE
- 29 STATEWIDE HEALTH COORDINATING COUNCIL ESTABLISHED UNDER AS 18.07.011.]
- 30 • Sec. 19. AS 44.29.110 is amended to read:

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1           Sec. 44.29.110. COMPOSITION. The board consists of 15 [12] members, 14 of whom  
2           are public members appointed by the governor, and the 15th who is the director of the  
3           division of alcoholism and drug abuse ex officio.

4           \* Sec. 20. AS 44.29.115 is amended to read:

5           Sec. 44.29.115. QUALIFICATIONS OF BOARD MEMBERS. The governor shall  
6           appoint the 14 public [12] members so that the board consists of the following public members:

7                     (1) one member [TWO MEMBERS] who is [ARE] licensed to practice  
8           medicine in the state [, ONE OF WHOM IS CERTIFIED IN PSYCHIATRY BY THE  
9           AMERICAN BOARD OF PSYCHIATRY AND NEUROLOGY];

10                    (2) one member who is admitted to practice law in the state [ALASKA];

11                    (3) four members who are chronic alcoholics with psychoses who are  
12           recovering;

13                    (4) three members who are substance abuse treatment professionals who  
14           represent public and private providers of substance abuse prevention and treatment  
15           services; and

16                    (5) five [EIGHT] members who have shown an interest in the problems of  
17           alcoholism or drug abuse and who have knowledge of the social problems associated with  
18           alcoholism or drug abuse [; AND

19                    (4) ONE MEMBER WHO IS A REPRESENTATIVE OF THE LIQUOR  
20           INDUSTRY].

21           \* Sec. 21. AS 44.29.120 is amended to read:

22           Sec. 44.29.120. TERM OF OFFICE. (a) The governor shall appoint the public  
23           members of the board for staggered terms of four years.

24                    (b) The governor shall fill a vacancy of a public member on the board by appointment  
25           for the unexpired part of the vacated term.

26                    (c) Public [BOARD] members of the board serve at the pleasure of the governor. The  
27           governor shall replace a public [ANY] member who by poor attendance or lack of contribution  
28           to the board's work demonstrates ineffectiveness as a board member. In this subsection, "poor  
29           attendance" means the failure to attend three or more consecutive meetings.

30           \* Sec. 22. AS 44.29.130 is amended to read:

1           Sec. 44.29.130. COMPENSATION, PER DIEM, AND EXPENSES. The public  
2           members [MEMBERS] of the board are not entitled to a salary, but are entitled to per diem,  
3           reimbursement for travel, and other expenses authorized by law for other boards.

4     • Sec. 23. AS 44.29 is amended by adding a new section to read:

5           Sec. 44.29.135. OFFICERS AND STAFF. (a) The board, by a majority of its  
6           membership, shall annually elect a presiding officer and other officers it considers necessary from  
7           among its membership.

8           (b) The board shall have a paid staff provided by the department, including an executive  
9           director who shall be selected by the board. The executive director is in the partially exempt  
10          service and may hire additional employees in the classified service of the state. The department  
11          shall provide for the assignment of personnel to the board to ensure the board has the capacity  
12          to fulfill its responsibilities. The executive director of the board shall be directly responsible to  
13          the board in the performance of the director's duty.

14     • Sec. 24. AS 44.29.140 is amended to read:

15           Sec. 44.29.140. DUTIES. The board shall

16           (1) act in an advisory capacity to the legislature, the governor, and state  
17           agencies [COMMISSIONER OF HEALTH AND SOCIAL SERVICES] in the following matters:

18                   (A) [(1)] special problems affecting mental health that alcoholism or drug  
19                   abuse may present;

20                   (B) [(2)] educational research and public informational activities  
21                   [CONDUCTED BY THE DEPARTMENT OF HEALTH AND SOCIAL SERVICES  
22                   AND OTHERS] in respect to the problems presented by alcoholism or drug abuse;

23                   (C) [(3)] social problems that affect rehabilitation of alcoholics and drug  
24                   abusers;

25                   (D) [(4)] legal processes that affect the treatment and rehabilitation of  
26                   alcoholics and drug abusers;

27                   (E) [(5)] development of programs of prevention, treatment, and  
28                   rehabilitation for alcoholics and drug abusers; and

29                   (F) [(6)] REVIEW OF APPLICATIONS AND SUBSEQUENT  
30                   RECOMMENDATIONS TO THE COMMISSIONER OF HEALTH AND SOCIAL

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SERVICES ON USE OF FUNDS FOR GRANTS FOR LOCAL ALCOHOLISM OR  
DRUG ABUSE PROJECTS AND PROGRAMS;

(7) evaluation of effectiveness of alcoholism and drug abuse programs in the  
state;

(2) provide to the Alaska Mental Health Trust Authority for its review and  
consideration recommendations concerning the integrated comprehensive mental health  
program for the people who are described in AS 47.30.054(b)(3), and concerning the use of  
money in the mental health trust income account in a manner consistent with regulations  
adopted under AS 47.30.031.

\* Sec. 25. AS 44.29.140 is amended by adding new subsections to read:

(b) The board is the state planning and coordinating body for purposes of federal and  
state laws relating to alcohol, drug, and other substance abuse prevention and treatment services.

(c) The board shall prepare and maintain a comprehensive plan of services for the  
prevention and treatment of alcohol, drug, and other substance abuse.

\* Sec. 26. AS 47.30 is amended by adding new sections to read:

Sec. 47.30.011. ALASKA MENTAL HEALTH TRUST AUTHORITY. (a) The Alaska  
Mental Health Trust Authority is established as a public corporation of the state within the  
Department of Revenue.

(b) The purpose of the authority is to ensure an integrated comprehensive mental health  
program.

(c) The authority

(1) shall administer the trust established under the Alaska Mental Health Enabling  
Act of 1956;

(2) may sue and be sued;

(3) may retain the services of independent counsel when, in the judgment of the  
authority's board of trustees, independent counsel is needed;

(4) shall insure or indemnify and protect the board, a member of the board, or an  
agent or employee of the authority against financial loss and expense, including reasonable legal  
fees and costs, arising out of a claim, demand, suit, or judgment by reason of alleged negligence,  
alleged violation of civil rights, or alleged wrongful act resulting in death or bodily injury to a

1 person or accidental damage to or destruction of property if the board member, agent, or  
2 employee, at the time of the occurrence, was acting under the direction of the authority within  
3 the course or scope of the duties of the board member, agent, or employee.

4 (d) The provisions of AS 44.62.330 - 44.62.630 do not apply to the Alaska Mental Health  
5 Trust Authority.

6 Sec. 47.30.016. MEMBERSHIP OF THE BOARD. (a) The authority shall be governed  
7 by its board of trustees.

8 (b) The board consists of seven members appointed by the governor. The members  
9 appointed under this subsection shall be appointed

10 (1) based upon their ability in financial management and investment, in land  
11 management, or in services for the beneficiaries of the trust;

12 (2) after the governor has considered a list of persons prepared by a panel of six  
13 persons who are beneficiaries, or who are the guardians, family members, or representatives of  
14 beneficiaries; the panel shall consist of

15 (A) one person selected by the Alaska Mental Health Board  
16 (AS 47.30.661);

17 (B) one person selected by the Governor's Council for the Handicapped  
18 and Gifted (AS 47.80.030);

19 (C) one person selected by the Advisory Board on Alcoholism and Drug  
20 Abuse (AS 44.29.110);

21 (D) one person selected by the Older Alaskans Commission  
22 (AS 44.21.200);

23 (E) one person selected by the Alaska Native Health Board; and

24 (F) one person selected by the authority.

25 (c) A member of the board appointed by the governor under (b) of this section may not

26 (1) be an officer or employee of the state; or

27 (2) within the preceding two years or during the member's term of office have  
28 an interest in, served on the governing board of, or been employed by an organization that has  
29 received, during that same period, money from the mental health trust income account under a  
30 contract for services.

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1 (d) A quorum of the board is four members.

2 (e) A member of the board is entitled to

3 (1) an honorarium of \$200 for each day or any part of a day spent at a meeting  
4 of the board, at a meeting of a subcommittee of the board, or as a representative of the board;  
5 and

6 (2) per diem and travel expenses authorized for boards and commissions under  
7 AS 39.20.180.

8 Sec. 47.30.021. TERM OF OFFICE, VACANCIES, AND REMOVAL. (a) The  
9 members of the board serve staggered five-year terms. A member shall continue to serve until  
10 the member's successor is appointed and confirmed.

11 (b) A vacancy occurring in the membership of the board shall be filled within 60 days  
12 by appointment of the governor for the unexpired portion of the vacated term.

13 (c) The governor may remove a member of the board only for cause, including  
14 incompetence, neglect of duty, misconduct in office, poor attendance, or lack of contribution to  
15 the board's work. A member being removed for cause shall be given a copy of the charges and  
16 afforded an opportunity to publicly present a defense in person or by counsel upon not less than  
17 10 days' written notice. If a member is removed for cause, the governor shall file with the  
18 lieutenant governor a complete statement of all charges made against the member and the  
19 governor's findings based on the charges, together with a complete record of the proceeding.  
20 The removal of a member for cause constitutes a final administrative order. A member seeking  
21 to appeal the governor's removal of a member for cause under this subsection shall file a notice  
22 of appeal with the superior court under AS 44.62.560.

23 (d) Except for a trustee who has served two consecutive five-year terms, a member of  
24 the board may be reappointed. A member of the board who has served two consecutive five-year  
25 terms is not eligible for reappointment to the board until one year has intervened.

26 Sec. 47.30.026. OFFICERS AND STAFF. (a) The board shall annually elect a presiding  
27 officer and other officers it considers necessary from among its membership.

28 (b) The board shall employ a chief executive officer who shall be selected by the board.  
29 The chief executive officer shall be compensated at no less than range 26 of the pay plan for  
30 state employees under AS 39.27.011(a). The chief executive officer may

- 1 (1) hire additional employees;
- 2 (2) appoint hearing officers to perform the responsibilities set out in
- 3 AS 47.30.031(b)(5); and
- 4 (3) contract for the services of consultants and others.
- 5 (c) The chief executive officer is directly responsible to the board.
- 6 **Sec. 47.30.031. REGULATIONS.** (a) The board shall adopt regulations under the
- 7 Administrative Procedure Act (AS 44.62) consistent with state law and the fiduciary
- 8 responsibilities imposed by law on members of boards of directors of corporations having trust
- 9 responsibilities.
- 10 (b) The regulations shall address, but are not limited to,
- 11 (1) the requirements of AS 47.30.056(h) and (j);
- 12 (2) provisions governing the administration and management of the mental health
- 13 trust;
- 14 (3) procedures by which an aggrieved person or group who believe they have not
- 15 received services that should be provided from the trust may apply to the authority for redress;
- 16 (4) provisions that allow and encourage entities providing trust funded services
- 17 to integrate those services with other community human services funded by other sources;
- 18 (5) administrative adjudication procedures, including but not limited to
- 19 (A) the acceptance of applications under (4) of this subsection;
- 20 (B) investigations;
- 21 (C) hearings; and
- 22 (D) the issuance of administrative orders, as necessary;
- 23 (6) provisions that establish a process for long-range planning for expenditures
- 24 from the mental health trust income account; and
- 25 (7) criteria for determining the nature and extent of necessary services and related
- 26 expenses to be funded by the trust.
- 27 **Sec. 47.30.036. DUTIES OF THE BOARD.** The board shall
- 28 (1) preserve and protect the trust corpus;
- 29 (2) coordinate with other state agencies involved with programs affecting persons
- 30 in need of mental health services;

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- 1 (3) review and consider the recommendations submitted under  
2 AS 44.21.230(a)(10), AS 44.29.14(f)(2), AS 47.30.666(6), and AS 47.80.090(13);  
3 (4) adopt bylaws governing its meetings, selection of officers, proceedings, and  
4 other aspects of board procedure;  
5 (5) make an annual written report of its activities to the legislature, governor, and  
6 the public; and  
7 (6) fulfill its obligations under AS 47.30.046.

8 **Sec. 47.30.041. BOARD ADVISORS.** The commissioners of health and social services,  
9 natural resources, and revenue, or their respective designees, are advisors to the board.

10 **Sec. 47.30.046. BUDGET RECOMMENDATIONS; REPORTS.** (a) The board shall  
11 annually, not later than September 15, submit to the governor and the Legislative Budget and  
12 Audit Committee a budget for the next fiscal year and a proposed plan of implementation based  
13 on the integrated comprehensive mental health program plan prepared under AS 47.30.660(a)(1).  
14 The budget must include the authority's determination of the amount

15 (1) recommended for expenditure from the mental health trust income account  
16 during the next fiscal year to

- 17 (A) meet the administrative expenses of the authority;  
18 (B) offset the effect of inflation on the value of the trust corpus; and  
19 (C) meet the necessary operating and capital expenses of the integrated  
20 comprehensive mental health program;

21 (2) recommended for expenditure from the general fund, if any, during the next  
22 fiscal year to meet the necessary operating and capital expenses of the integrated comprehensive  
23 mental health program; and

24 (3) in the mental health trust income account, if any, that is not reasonably  
25 necessary to meet the projected operating and capital expenses of the integrated comprehensive  
26 mental health program that may be transferred into the general fund.

27 (b) When the authority submits its proposed budget under (a) of this section, the authority  
28 shall also provide a report to the Legislative Budget and Audit Committee, the governor, the  
29 Office of Management and Budget, the commissioner of health and social services, and all  
30 entities providing services with money in the mental health trust income account, and shall make

1           it available to the public. The report must describe at least the following:

2                   (1) the assets, earnings, and expenditures of the trust as of the end of the  
3 preceding fiscal year;

4                   (2) comparisons of the trust's assets, earnings, and expenditures with the prior five  
5 fiscal years;

6                   (3) projections of the trust's assets, earnings, and expenditures for the next five  
7 fiscal years;

8                   (4) the authority's budget recommendations submitted under (a) of this section,  
9 and its reasons for making those recommendations;

10                  (5) the authority's guidelines for the establishment of services; the provision of  
11 services shall be based on the principle that services paid for from the trust are provided to  
12 recipients as close to the recipient's home and family as practical with due consideration of  
13 demographics, mental health service requirements, use of mental health services, economic  
14 feasibility, and capital expenditures required for provision of minimum levels of service;

15                   (6) forecasts of the number of persons needing services;

16                   (7) projections of the resources required to provide the necessary services and  
17 facilities; and

18                   (8) reviews of the status of the integrated comprehensive mental health program,  
19 including evaluation of program goals, objectives, targets and timelines, and overall effectiveness.

20           **Sec. 47.30.051. SUBMISSIONS REQUIRING USE OF TRUST MONEY.** An agency  
21 or entity proposing an expenditure of money by the trust shall present its proposal to the  
22 authority under regulations adopted under AS 47.30.031.

23           **Sec. 47.30.056. USE OF MONEY IN THE MENTAL HEALTH TRUST INCOME**  
24 **ACCOUNT.** (a) If appropriated by law, the money in the mental health trust income account  
25 established in AS 37.14.036 shall be used to

26                   (1) provide an integrated comprehensive mental health program as required by  
27 this section;

28                   (2) meet the authority's annual administrative expenses; and

29                   (3) offset the effect of inflation on the corpus of the trust.

30           (b) Expenditures under (a)(1) of this section shall provide for a reasonable level of

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1 necessary services to

- 2 (1) the mentally ill;
- 3 (2) the mentally defective and retarded;
- 4 (3) chronic alcoholics suffering from psychoses;
- 5 (4) senile people who as a result of their senility suffer major mental illness; and
- 6 (5) other persons needing mental health services, as the legislature may determine.

7 (c) The integrated comprehensive mental health program for which expenditures are made  
8 under this section

9 (1) shall give priority in service delivery to persons who, as a result of a mental  
10 disorder or of a disorder identified in (b) of this section:

11 (A) may require or are at risk of hospitalization; or

12 (B) experience such major impairment of self-care, self-direction, or social  
13 and economic functioning that they require continuing or intensive services;

14 (2) may, at the discretion of the board, include services to persons who are not  
15 included under (b) or (c)(1) of this section.

16 (d) In (b)(1) of this section, "the mentally ill" includes persons with the following mental  
17 disorders:

18 (1) schizophrenia;

19 (2) delusional (paranoid) disorder;

20 (3) mood disorders;

21 (4) anxiety disorders;

22 (5) somatoform disorders;

23 (6) organic mental disorders;

24 (7) personality disorders;

25 (8) dissociative disorders;

26 (9) other psychotic or severe and persistent mental disorders manifested by  
27 behavioral changes and symptoms of comparable severity to those manifested by persons with  
28 mental disorders listed in this subsection; and

29 (10) persons who have been diagnosed by a licensed psychologist, psychiatrist,  
30 or physician licensed to practice medicine in the state and, as a result of the diagnosis, have been

1 determined to have a childhood disorder manifested by behaviors or symptoms suggesting risk  
2 of developing a mental disorder listed in this subsection.

3 (e) In (b)(2) of this section, "the mentally defective and retarded" includes persons with  
4 the following neurologic or mental disorders:

- 5 (1) cerebral palsy;
- 6 (2) epilepsy;
- 7 (3) mental retardation;
- 8 (4) autistic disorder;
- 9 (5) severe organic brain impairment;
- 10 (6) significant developmental delay during early childhood indicating risk of  
11 developing a disorder listed in this subsection;

12 (7) other severe and persistent mental disorders manifested by behaviors and  
13 symptoms similar to those manifested by persons with disorders listed in this subsection.

14 (f) In (b)(3) of this section, "chronic alcoholics suffering from psychoses" includes  
15 persons with the following disorders:

- 16 (1) alcohol withdrawal delirium (delirium tremens);
- 17 (2) alcohol hallucinosis;
- 18 (3) alcohol amnesic disorder;
- 19 (4) dementia associated with alcoholism;
- 20 (5) alcohol-induced organic mental disorder;
- 21 (6) alcoholic depressive disorder;

22 (7) other severe and persistent disorders associated with a history of prolonged  
23 or excessive drinking or episodes of drinking out of control and manifested by behavioral  
24 changes and symptoms similar to those manifested by persons with disorders listed in this  
25 subsection.

26 (g) In (b)(4) of this section, "senile people who as a result of their senility suffer major  
27 mental illness" includes persons with the following mental disorders:

- 28 (1) primary degenerative dementia of the Alzheimer type;
- 29 (2) multi-infarct dementia;
- 30 (3) senile dementia;

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- 1 (4) presenile dementia;
- 2 (5) other severe and persistent mental disorders manifested by behaviors and  
3 symptoms similar to those manifested by persons with disorders listed in this subsection.
- 4 (h) The authority shall adopt regulations defining the disorders identified in this section  
5 to reflect revisions in the diagnostic nomenclature of the health professions serving the  
6 beneficiaries of the trust. The authority shall review and revise the regulations as necessary.  
7 Regulations adopted under this subsection must be in the long term best interest of the trust and  
8 of persons with disorders equivalent to those identified in (b) and (c) of this section.
- 9 (i) In this section, "an integrated comprehensive mental health program"
- 10 (1) means public health programs and services that, on the effective date of this  
11 Act, are separately recognizable and administered, without regard to the administrative unit  
12 directly responsible for the delivery of the service; among the services included are services for  
13 the mentally ill, community mental health services, services for the developmentally disabled,  
14 alcoholism services, and services for children, youth, adults, and seniors with mental disorders;
- 15 (2) includes, at a minimum, each of the following services as appropriate:
- 16 (A) emergency services on a 24-hour basis;
- 17 (B) screening examination and evaluation services required to complete  
18 the involuntary commitment process under AS 47.30.700 - 47.30.815;
- 19 (C) inpatient care;
- 20 (D) crisis stabilization services, which may include:
- 21 (i) active community outreach;
- 22 (ii) in-hospital contact;
- 23 (iii) mobile crisis teams of mental health professionals;
- 24 (iv) crisis beds to provide a short term residential program for  
25 persons experiencing an acute episode of mental illness that requires temporary  
26 removal from a home environment;
- 27 (E) treatment services, which may include
- 28 (i) diagnosis, testing, and evaluation of medical needs;
- 29 (ii) medication monitoring;
- 30 (iii) physical examinations;

- 1 (iv) dispensing psychotropic and other medication;
- 2 (v) detoxification;
- 3 (vi) individual or group therapy;
- 4 (vii) aftercare;
- 5 (F) case management, which may include
- 6 (i) evaluation of needs;
- 7 (ii) development of individualized treatment plans;
- 8 (iii) enhancement of access to available resources and programs;
- 9 (iv) development of interagency contacts and family involvement;
- 10 (v) advocacy;
- 11 (G) daily structure and support, which may include
- 12 (i) daily living skills training;
- 13 (ii) socialization activities;
- 14 (iii) recreation;
- 15 (iv) transportation;
- 16 (v) day care services;
- 17 (vi) client and care provider education and support services;
- 18 (H) residential services, which may include
- 19 (i) crisis or respite care;
- 20 (ii) board and care;
- 21 (iii) foster care, group homes, halfway houses, or supervised
- 22 apartments;
- 23 (iv) intermediate care facilities;
- 24 (v) long-term care facilities;
- 25 (vi) in-home care;
- 26 (I) vocational services, which may include
- 27 (i) prevocational services;
- 28 (ii) work adjustment;
- 29 (iii) supported work;
- 30 (iv) sheltered work;

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- 1 (v) training in which participants achieve useful work experience;  
2 (J) outpatient screening, diagnosis, and treatment services, including  
3 individual, family, and group psychotherapy, counseling, and referral;  
4 (K) prevention and education services, including consultation with  
5 organizations, providers, and the public; and  
6 (L) administrative services, including appropriate operating expenses of  
7 state agencies and other service providers.

8 (j) The authority shall adopt regulations regarding the services described in (i) of this  
9 section to reflect advances in the appropriate professions. The authority shall review and revise  
10 the regulations as necessary. Regulations adopted under this subsection must be in the long term  
11 best interest of the mental health trust.

12 Sec. 47.30.061. DEFINITIONS. In AS 47.30.011 - 47.30.061,

13 (1) "authority" means the Alaska Mental Health Trust Authority established by  
14 AS 47.30.011;

15 (2) "board" means the board of trustees of the authority;

16 (3) "trust" means the trust established by the Alaska Mental Health Enabling Act  
17 of 1956, P.L.84-830, 70 Stat. 709.

18 \* Sec. 27. AS 47.30.470 is amended by adding new paragraphs to read:

19 (8) prepare that part of the plan for the integrated comprehensive mental health  
20 program under AS 47.30.056 that relates to the services and facilities that are necessary for the  
21 care and treatment of persons identified as chronic alcoholics suffering from psychoses, as  
22 defined in AS 47.30.056(b)(3) and (f); in preparing the plan of services for persons identified in  
23 this paragraph, the department shall coordinate with the Alaska Mental Health Trust Authority  
24 and the Advisory Board on Alcoholism and Drug Abuse;

25 (9) use money appropriated from the mental health trust income account  
26 established under AS 37.14.036 to provide the necessary services identified in (8) of this section  
27 and in accordance with AS 47.30.056.

28 \* Sec. 28. AS 47.30.520 is amended to read:

29 Sec. 47.30.520. LEGISLATIVE PURPOSE. It is the purpose of the [LEGISLATURE  
30 IN ENACTING THE] Community Mental Health Services Act [§

1 (1) [TO] provide a range of community based inpatient, outpatient, and  
2 support services for persons with mental disorders;

3 (2) [OR EMOTIONAL DISTURBANCES AND TO] assist [LOCAL]  
4 communities in planning, organizing, and financing community mental health services through  
5 locally developed, administered, and controlled community mental health programs;

6 (3) [ IT IS FURTHER INTENDED TO] better develop and use [UTILIZE  
7 EXISTING] resources at both state and local levels;

8 (4) [IN ORDER TO (1)] develop and implement plans for comprehensive  
9 [INITIATING MAXIMUM] mental health services based on demonstrated need on a regional  
10 basis [FOR SERVICES IN EACH GEOGRAPHICAL PLANNING AREA, AS WELL AS  
11 REGIONALIZED COMPREHENSIVE MENTAL HEALTH SERVICES];

12 (5) [(2)] improve the effectiveness of existing mental health services;

13 (6) [(3)] integrate state-operated and community mental health programs into a  
14 unified mental health system;

15 (7) ensure that consumers, families, and representatives of [(4)] PROVIDE A  
16 MEANS FOR PARTICIPATION BY LOCAL] communities within mental health planning  
17 regions can participate in determining [THE DETERMINATION OF] the need for and the  
18 allocation of mental health resources;

19 (8) [(5)] ESTABLISH A UNIFORM RATIO OF LOCAL AND STATE  
20 GOVERNMENT RESPONSIBILITY FOR FINANCING MENTAL HEALTH SERVICES;

21 (6) provide a means of allocating money available for state mental health  
22 services [FUNDS] according to community needs;

23 (9) [(7)] encourage the full use of all existing public or private agencies, facilities,  
24 personnel, and funds to accomplish these objectives; and

25 (10) [(8)] prevent unnecessary duplication and fragmentation of services and  
26 expenditures.

27 \* Sec. 29. AS 47.30 is amended by adding a new section to read:

28 Sec. 47.30.523. COMMUNITY MENTAL HEALTH PROGRAM POLICY AND  
29 PRINCIPLES. (a) It is the policy of the state that

30 (1) the community mental health program provide a comprehensive and integrated

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1 system of community based facilities, supports, and mental health services including child and  
2 adolescent screening and diagnosis, inpatient, outpatient, prevention, consultation, and education  
3 services;

4 (2) persons most in need of community mental health services receive appropriate  
5 services as provided under AS 47.30.056;

6 (3) the community mental health program be coordinated, to the maximum extent  
7 possible, with the programs established under AS 47.37, AS 47.65, AS 47.80, and other programs  
8 affecting the well being of persons in need of mental health services.

9 (b) Community mental health program service delivery principles include the principles  
10 that persons

11 (1) have ready and prompt access to necessary screening, diagnosis, and treatment;

12 (2) receiving community mental health services be informed of their rights,  
13 including their rights to confidentiality and to treatment with dignity;

14 (3) be provided community mental health services by staff and programs that  
15 reflect the culture, linguistic, and other social characteristics of their community and that  
16 incorporate multidisciplinary professional staff to meet client functional levels and diagnostic and  
17 treatment needs;

18 (4) in need of community mental health services, and their families, be  
19 encouraged to participate in formulating, delivering, and evaluating treatment and rehabilitation;

20 (5) in need of community mental health services be provided treatment and  
21 rehabilitation services designed to minimize institutionalization and maximize individual potential;

22 (6) be treated in the least restrictive alternative environment consistent with their  
23 treatment needs, enabling the person to live as normally as possible;

24 (7) be provided necessary treatment as close to the person's home as possible;

25 (8) be informed of and allowed to participate in planning their own treatment as  
26 much as possible.

27 \* Sec. 30. AS 47.30.530 is amended by adding a new subsection to read:

28 (b) In performing its duties under (a) of this section, the department shall coordinate with  
29 the Alaska Mental Health Trust Authority established in AS 47.30.011.

30 \* Sec. 31. AS 47.30.540(b) is amended to read:

1 (b) An (TITLE) entity designated by the department (IN THE LOCAL AREA AS THE  
 2 ORGANIZATIONAL UNIT) to receive money (FUNDS) under AS 47.30.520 - 47.30.620 (AND  
 3 TO ADMINISTER THE PROGRAM) shall ensure a broad base of community support as  
 4 evidenced by a governing board reasonably representative of the professional, civic, and citizen  
 5 groups in the community and including persons with mental disorders or family members  
 6 of persons with mental disorders. No more than two members, or 40 percent of the  
 7 membership, whichever is greater, may be providers of services under the program. In order to  
 8 receive funds under AS 47.30.520 - 47.30.620, a local community entity shall agree to

9 (1) give priority to mental health programs and services consistent with the  
 10 priorities set out in AS 47.30.056 and that provide the (HAVE A) maximum services for the  
 11 least expenditure of money from the mental health trust income account (EFFECT ON  
 12 OTHER TAX FUNDED PROGRAMS);

13 (2) furnish services through a qualified staff meeting reasonable standards of  
 14 experience and training;

15 (3) conform to a state cost accounting system showing the true cost of services  
 16 rendered, collect fees for services according to a schedule based on an analysis of reasonable  
 17 ability to pay, and provide that a person may not be refused services because of inability to pay  
 18 for those services;

19 (4) maintain adequate clinical and administrative records and furnish periodic  
 20 reports to the department;

21 (5) furnish the authority and the department an annual report of the preceding  
 22 fiscal year, including an evaluation of the effectiveness of the previous year's programs and their  
 23 costs; and

24 (6) furnish the authority and the department (EACH YEAR A) satisfactory  
 25 needs assessments for the population and area it serves and an annual update of a long-range  
 26 planning and budget statement that describes program goals for the coming year, the steps and  
 27 resources necessary to implement the goals, the projected means by which these resources will  
 28 be secured, and the procedures necessary to evaluate the program.

29 • Sec. 32. AS 47.30.545 is repealed and reenacted to read:

30 Sec. 47.30.545. POPULATIONS TO BE SERVED. The entities designated by the

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1 department to receive money under AS 47.30.5' ) shall provide one or more of the services  
2 that are set out in AS 47.30.056(i) to persons ed in AS 47.30.056.

3 • Sec. 33. AS 47.30.547 is amended to read

4 Sec. 47.30.547. STANDARDS FOR COMMUNITY MENTAL HEALTH SERVICES.

5 An entity that provides community mental health services shall

6 (1) make services available at times and locations that enable residents of the  
7 entity's service area to obtain services readily;

8 (2) ensure each client's right to confidentiality and treatment with dignity;

9 (3) establish staffing patterns of qualified and trained personnel that reflect the  
10 cultural, linguistic, and other social characteristics of the community and that incorporate  
11 multidisciplinary professional staff to meet client functional levels and diagnostic and treatment  
12 needs;

13 (4) promote client and family participation in formulating, delivering, and  
14 evaluating treatment and rehabilitation;

15 (5) design screening, diagnosis, treatment, and rehabilitation services to  
16 maximize individual potential and to minimize institutionalization; and

17 (6) provide services in the least restrictive setting, enabling the person  
18 receiving the services to live as normally as possible.

19 • Sec. 34. AS 47.30.590 is amended to read:

20 Sec. 47.30.590. PATIENT RIGHTS AND THE CONFIDENTIAL NATURE OF  
21 RECORDS AND INFORMATION. The department shall adopt regulations to assure patient  
22 rights and to safeguard the confidential nature of records and information about the recipients of  
23 services provided under this chapter [AS 47.30.520 - 47.30.620]. The regulations must require  
24 that [LOCAL COMMUNITY] entities identified in AS 47.30.540(b) develop and include in any  
25 plan submitted for approval adequate provisions for safeguarding confidential information. The  
26 [DEPARTMENT'S] regulations must provide for disclosure of confidential information to  
27 parents or guardians, to mental health professionals providing services to a recipient, and to  
28 other appropriate service agencies when it is in the defined best interests of the patient.

29 • Sec. 35. AS 47.30.610 is repealed and reenacted to read:

30 Sec. 47.30.610. DEFINITIONS. In AS 47.30.520 - 47.30.610,

1 (1) "authority" means the Alaska Mental Health Trust Authority established in  
2 AS 47.30.011;

3 (2) "department" means the Department of Health and Social Services;

4 (3) "persons with mental disorders" means persons with disorders currently  
5 included within nationally accepted diagnostic systems of the mental health professions;

6 (4) "must" has the meaning given in AS 47.30.061.

7 \* Sec. 36. AS 47.30.660 is amended to read:

8 Sec. 47.30.660. POWERS AND DUTIES OF DEPARTMENT. (a) The department  
9 shall

10 (1) prepare, and periodically revise and amend, a plan for an integrated  
11 comprehensive mental health program; the preparation of the plan and any revision or  
12 amendment of it shall

13 (A) be made in conjunction with the Alaska Mental Health Trust  
14 Authority;

15 (B) be coordinated with federal, state, regional, local, and private  
16 entities involved in mental health services; and

17 (2) in planning expenditures from the mental health trust income account,  
18 conform to the regulations adopted by the Alaska Mental Health Trust Authority under  
19 AS 47.30.031(b)(6); and

20 (3) implement an integrated comprehensive system of care that meets the  
21 service needs of the beneficiaries of the trust established under the Alaska Mental Health  
22 Enabling Act of 1956, as determined by the plan.

23 (b) The department, in fulfilling its duties under this section and through its division  
24 of mental health and developmental disabilities, [IS THE MENTAL HEALTH AUTHORITY  
25 OF THE STATE AND] shall

26 (1) administer a comprehensive program of services for persons with mental  
27 disorders, for the prevention of mental illness, and for the care and treatment of persons with  
28 mental disorders [THE MENTALLY ILL], including inpatient and outpatient care and treatment  
29 and the procurement of services of specialists or other persons on a contractual or other basis;

30 (2) take the actions and undertake the obligations that are necessary to participate

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1 in federal grants-in-aid programs and accept federal or other financial aid from whatever sources  
2 for the study, prevention, examination, care, and treatment of persons with mental disorders  
3 [THE MENTALLY ILL];

4 (3) administer AS 47.30.660 - 47.30.915;

5 (4) designate, operate, and maintain treatment facilities equipped and qualified to  
6 provide inpatient and outpatient care and treatment for persons with mental disorders [THE  
7 MENTALLY ILL];

8 (5) provide for the placement of [MENTALLY ILL] patients with mental  
9 disorders in designated treatment facilities;

10 (6) enter into arrangements with governmental agencies for the care or treatment  
11 of persons with mental disorders [THE MENTALLY ILL] in facilities of the governmental  
12 agencies in the state or in another state;

13 (7) enter into contracts with treatment facilities for the custody and care or  
14 treatment of persons with mental disorders [THE MENTALLY ILL]; contracts under this  
15 paragraph are governed by AS 36.30 (State Procurement Code);

16 (8) enter into contracts, which incorporate safeguards consistent with  
17 AS 47.30.660 - 47.30.915 and the preservation of the civil rights of the patients [,] with another  
18 state for the custody and care or treatment of patients previously committed from this state under  
19 48 U.S.C. 46 et seq., and P.L. 84-830 [P.L. 830, 84TH CONGRESS, 2ND SESSION], 70 Stat.  
20 709;

21 (9) prescribe the form of applications, records, reports, requests for release, and  
22 consents to medical or psychological treatment required by AS 47.30.660 - 47.30.915;

23 (10) require reports from the head of a treatment facility concerning the care of  
24 patients;

25 (11) visit each treatment facility at least annually to review methods of care or  
26 treatment for patients;

27 (12) investigate complaints made by a patient or an interested party on behalf of  
28 a patient;

29 (13) delegate upon mutual agreement to another officer or agency of it, or a  
30 political subdivision of the state, or a treatment facility designated, any of the duties and powers

1 imposed upon it by AS 47.30.660 - 47.30.915; (AND)

2 (14) after consultation with the Alaska Mental Health Trust Authority, adopt  
3 regulations to implement the provisions of AS 47.30.660 - 47.30.915; and

4 (15) provide technical assistance and training to providers of mental health  
5 services.

6 • Sec. 37. AS 47.30.662 is repealed and reenacted to read:

7 Sec. 47.30.662. COMPOSITION. (a) The board consists of not fewer than 18 nor more  
8 than 24 members appointed by the governor, with due regard for the demographics of the state  
9 and balanced geographic representation of the state. The membership and committees of the  
10 board shall fulfill the requirements of P.L. 99-660, as amended.

11 (b) Not less than one-half of the members shall be persons with a mental disorder  
12 identified in AS 47.30.056(b)(1) or members of their families.

13 (c) The board members

14 (1) shall include the director of the division of mental health and developmental  
15 disabilities in the department; and

16 (2) may include representatives of the principal state agencies with respect to  
17 education, vocational rehabilitation, criminal justice, housing, social services, medical assistance,  
18 substance abuse, and aging.

19 (d) Board members appointed under (c) of this section may not vote on matters before  
20 the board.

21 (e) The board members shall include at least two licensed mental health professionals  
22 who represent public and private providers of mental health services and at least one member  
23 who is admitted to practice law in the state. Members appointed under this subsection may also  
24 be family members identified under (b) of this section.

25 • Sec. 38. AS 47.30.664(b) is amended to read:

26 (b) The board shall have a paid staff provided by the department, including, but not  
27 limited to, an executive director who shall be selected by the board (FROM CANDIDATES  
28 PROVIDED BY THE DEPARTMENT). The executive director is in the partially exempt service  
29 and may hire additional employees in the classified service of the state. The department shall  
30 provide for the assignment of personnel to the board to ensure the board has the capacity

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1            to fulfill its responsibilities. The executive director [AND THE STAFF] of the board shall be  
2            directly responsible to the board in the performance of the director's [THEIR] duties.

3            \* Sec. 39. AS 47.30.666 is repealed and reenacted to read:

4            Sec. 47.30.666. DUTIES OF THE BOARD. The board is the state planning and  
5            coordinating body for the purpose of federal and state laws relating to mental health services for  
6            persons with mental disorders identified in AS 47.30.056(b)(1) and (4). On behalf of those  
7            persons, the board shall

8                            (1) prepare and maintain a comprehensive plan of treatment and rehabilitation  
9            services;

10                           (2) propose an annual implementation plan consistent with the comprehensive plan  
11            and with due regard for the findings from evaluation of existing programs;

12                           (3) provide a public forum for the discussion of issues related to the mental health  
13            services for which the board has planning and coordinating responsibility;

14                           (4) advocate the needs of persons with mental disorders before the governor,  
15            executive agencies, the legislature, and the public;

16                           (5) advise the legislature, the governor, the Alaska Mental Health Trust Authority,  
17            and other state agencies in matters affecting persons with mental disorders, including, but not  
18            limited to,

19    (A) development of necessary services for diagnosis, treatment, and  
20            rehabilitation;

21    (B) evaluation of the effectiveness of programs in the state for diagnosis,  
22            treatment, and rehabilitation;

23    (C) legal processes that affect screening, diagnosis, treatment, and  
24            rehabilitation;

25                           (6) provide to the Alaska Mental Health Trust Authority for its review and  
26            consideration recommendations concerning the integrated comprehensive mental health program  
27            for those persons who are described in AS 47.30.056(b)(1) and (4) and the use of money in the  
28            mental health trust income account in a manner consistent with regulations adopted under  
29            AS 47.30.031; and

30                           (7) submit periodic reports regarding its planning, evaluation, advocacy, and other

- 1 activities.
- 2 • Sec. 40. AS 47.30 is amended by adding a new section to read:
- 3 Sec. 47.30.667. COMPENSATION, PER DIEM, AND EXPENSES. The board members
- 4 appointed under AS 47.30.662(b) and (e) are not entitled to a salary, but are entitled to per diem,
- 5 reimbursement for travel, and other expenses authorized by law for boards and commissions
- 6 under AS 39.20.180.
- 7 • Sec. 41. AS 47.30.910(d) is amended to read:
- 8 (d) All money paid by the patient or on the patient's behalf to the department under this
- 9 section shall be deposited in the mental health trust income account established in
- 10 AS 37.14.036 [GENERAL FUND].
- 11 • Sec. 42. AS 47.30.910(g) is amended to read:
- 12 (g) The commissioner of administration shall separately account for medical care and
- 13 treatment fees collected under this section. [THAT THE DEPARTMENT DEPOSITS IN THE
- 14 GENERAL FUND. THE ANNUAL ESTIMATED BALANCE IN THE ACCOUNT MAY BE
- 15 USED BY THE LEGISLATURE TO MAKE APPROPRIATIONS TO THE DEPARTMENT
- 16 TO CARRY OUT THE PURPOSES OF THIS SECTION].
- 17 • Sec. 43. AS 47.30.915 is amended by adding a new paragraph to read:
- 18 (18) "persons with mental disorders" has the meaning given in AS 47.30.610.
- 19 • Sec. 44. AS 47.37.04(X10) is repealed and reenacted to read:
- 20 (10) conduct program planning activities approved by the Advisory Board on
- 21 Alcoholism and Drug Abuse.
- 22 • Sec. 45. AS 47.37 is amended by adding a new section to read:
- 23 Sec. 47.37.125. PAYMENT FOR SERVICES. Subject to appropriation by the
- 24 legislature, money in the mental health trust income account established in AS 37.14.036 may
- 25 be used to support a service provided under the authority given in this chapter.
- 26 • Sec. 46. AS 47.80.070(b) is amended to read:
- 27 (b) The council shall have a paid staff provided by the department, including an
- 28 executive director selected by the council. The executive director is in the partially exempt
- 29 service and may hire additional employees in the classified service of the state. The
- 30 department shall provide for the assignment of personnel to the council to ensure that the council

Chapter 66

1 has the capacity to fulfill its responsibilities. The personnel shall be directly responsible to the  
2 council for performance of their duties.

3 \* Sec. 47. AS 47.80.090 is amended by adding a new paragraph to read:

4 (13) provide to the Alaska Mental Health Trust Authority for its review and  
5 consideration recommendations concerning the integrated comprehensive mental health program  
6 for the people of the state who are described in AS 47.30.056(b)(2) and the use of the money in  
7 the mental health trust income account in a manner consistent with regulations adopted under  
8 AS 47.30.031.

9 \* Sec. 48. AS 47.80.110 is amended to read:

10 Sec. 47.80.110. PROGRAM PRINCIPLES. The system of services and facilities required  
11 under AS 47.80.100 shall accord with the principles [PRINCIPLE] that service providers shall

12 (1) make services available at times and locations that enable residents of the  
13 provider's service area to obtain services readily;

14 (2) ensure each client's right to confidentiality and treatment with dignity;

15 (3) establish staffing patterns that reflect the cultural, linguistic, and other  
16 social characteristics of the community and that incorporate multidisciplinary professional  
17 staff to meet client functional levels and diagnostic and treatment needs;

18 (4) promote client and family participation in formulating, delivering, and  
19 evaluating treatment and rehabilitation;

20 (5) design treatment [ . SERVICES,] and habilitation [SHALL BE DESIGNED]  
21 to maximize individual potential and [.] minimize institutionalization; [.] and

22 (6) provide services [SHALL BE PROVIDED] in the least restrictive setting,  
23 enabling a person to live as normally as possible within the limitations of the handicap.

24 \* Sec. 49. AS 37.14.011, 37.14.021, AS 38.05.800, AS 47.30.546, secs. 1, 2, 4, and 5, ch. 132,  
25 SLA 1986; and secs. 7 - 10, ch. 48, SLA 1987 are repealed.

26 \* Sec. 50. TRANSITIONAL PROVISIONS: DEVELOPMENT OF TRUST INCOME ACCOUNT  
27 DISTRIBUTION MECHANISM. Not later than January 1, 1993, the Board of Trustees of the Alaska  
28 Mental Health Trust Authority, after consulting with organizations and persons affected by this Act, shall

29 (1) consistent with AS 47.30.056(h), added by sec. 26 of this Act, adopt regulations  
30 regarding persons who are to receive services funded by money in the mental health trust income

1 account under AS 37.14.036, as added by sec. 11 of this Act;

2 (2) publish its finding and estimates regarding the number of persons in need under the  
3 regulations adopted under (1) of this section;

4 (3) consistent with AS 47.30.056(j), added by sec. 26 of this Act, adopt regulations  
5 regarding the services and facilities upon which expenditures are to be made from money in the mental  
6 health trust income account under AS 37.14.036, as added by sec. 11 of this Act;

7 (4) publish its findings and projections regarding the necessary expenditure of money  
8 from the mental health trust income account for the services and facilities identified under (3) of this  
9 section; the projections may be based on a formula that considers distribution, demographics, and level  
10 of functioning of the persons to be served and the cost of service delivery on a regional basis.

11 \* Sec. 51. INITIAL APPOINTMENT OF MEMBERS TO THE BOARD OF TRUSTEES.  
12 Notwithstanding AS 47.30.016 and 47.30.021, added by sec. 26 of this Act,

13 (1) the initial appointments of the members of the Board of Trustees of the Alaska  
14 Mental Health Trust Authority added by sec. 26 of this Act, shall be made by the governor after  
15 considering a list of candidates submitted to the governor by the Alaska Mental Health Board;

16 (2) the initial appointees shall be appointed to initial terms as follows: one shall be  
17 appointed for a term of one year, one shall be appointed for a term of two years, one shall be appointed  
18 for a term of three years, two shall be appointed for terms of four years, and two shall be appointed for  
19 terms of five years.

20 \* Sec. 52. TRANSITIONAL PROVISIONS: MEMBERS OF ADVISORY BOARD ON  
21 ALCOHOLISM AND DRUG ABUSE. Notwithstanding AS 44.29.110 and 44.29.115, as amended by  
22 secs. 19 and 20 of this Act, the members of the Advisory Board on Alcoholism and Drug Abuse who  
23 are serving on the effective date of this Act continue to serve their unexpired terms. Vacancies on the  
24 advisory board occurring after the effective date of this Act shall be filled by the governor under the  
25 provisions of AS 44.29.115, as amended by sec. 20 of this Act.

26 \* Sec. 53. TRANSITIONAL PROVISIONS: MEMBERS OF THE ALASKA MENTAL HEALTH  
27 BOARD. Notwithstanding AS 47.30.662, as amended by sec. 37 of this Act, the members of the Alaska  
28 Mental Health Board who are serving on the effective date of this Act continue to serve their unexpired  
29 terms. Vacancies on the board occurring after the effective date of this Act, and new positions created  
30 by this Act, shall be filled by the governor under the provisions of AS 47.30.662, as amended by sec. 37

**Chapter 66**

1 of this Act. When making appointments to new positions on the board, the governor shall ensure that  
2 the initial terms of new members maintain the staggered term requirement of AS 47.30.663.

3 \* **Sec. 54. TRUST CORPUS RECONSTITUTED.** For the purpose of reconstituting the mental health  
4 trust established under the Alaska Mental Health Enabling Act, P.L. 84-830, 70 Stat. 709 (1956), and  
5 after public notice as provided under AS 38.05.945(b) and (c), the commissioner of natural resources  
6 shall convey to the mental health trust authority established under AS 47.30.011, the following land in  
7 trust:

8 (1) land granted to the state under the Alaska Mental Health Enabling Act and not  
9 conveyed or encumbered by the state on or before the effective date of this Act;

10 (2) land granted to the state under the Alaska Mental Health Enabling Act that is, on the  
11 effective date of this Act, subject only to oil and gas leases, coal leases, or timber contracts;

12 (3) land granted to the state under the Alaska Mental Health Enabling Act that has been  
13 selected, on or before the effective date of this Act, by a municipality under AS 29.65 or under former  
14 AS 29.18.190 - 29.18.200 and which on the effective date of this Act has been neither approved nor  
15 disapproved by the director of the division of lands, Department of Natural Resources;

16 (4) land granted to the state under the Alaska Mental Health Enabling Act, that is, on the  
17 effective date of this Act, subject to a land use permit or a right-of-way issued by the Department of  
18 Natural Resources under AS 38.05;

19 (5) land granted to the state under the Alaska Mental Health Enabling Act and included,  
20 on the effective date of this Act, in the Haines State Forest Resource Management Area (AS 41.15.300)  
21 and the Tanana Valley State Forest (AS 41.17.400);

22 (6) other land granted to the state under the Alaska Mental Health Enabling Act that is  
23 acceptable to the plaintiffs in Weiss v. State, 4FA-82-208 Civil, and that has not, at the time of  
24 acceptance by the plaintiffs, been designated by law as a state park, state forest, state game refuge, state  
25 wildlife refuge, state game sanctuary, state recreational area, state recreational river, state wilderness  
26 park, state marine park, state special management area, state public use area, critical habitat area, bald  
27 eagle preserve, bison range, or moose range; and

28 (7) additional land to be conveyed to the authority under sec. 55 of this Act.

29 \* **Sec. 55. COMPENSATION TO TRUST FOR ORIGINAL MENTAL HEALTH LAND NOT**  
30 **RETURNED TO TRUST CORPUS.** (a) The commissioner of natural resources shall convey to the

1 Alaska Mental Health Trust Authority established under AS 47.30.011, added by sec. 26 of this Act,  
2 state land in trust in exchange for the original mental health land and interests therein not returned to  
3 the corpus under sec. 54(1) - (6) of this Act.

4 (b) The commissioner may not convey under this section land in legislatively-designated areas  
5 unless specifically authorized by law. In this subsection, "legislatively-designated areas" means land  
6 designated by law as a state park, state forest, state game refuge, state wildlife refuge, state game  
7 sanctuary, state recreational area, state recreational river, state wilderness park, state marine park, state  
8 special management area, state public use area, critical habitat area, bald eagle preserve, bison range,  
9 or moose range.

10 (c) Exchanges under this section shall be based on equal fair market value.

11 (d) Exchanges under this section shall involve, as nearly as practicable, land of comparable  
12 character. In determining whether land proposed for exchange is of comparable character, the factors  
13 to be considered are:

- 14 (1) terrain;
- 15 (2) use;
- 16 (3) location;
- 17 (4) development potential;
- 18 (5) income potential;
- 19 (6) accessibility; and
- 20 (7) other physical characteristics.

21 (e) Additional factors that shall be considered in determining whether land proposed for  
22 exchange under this section should be conveyed by the commissioner of natural resources in trust to the  
23 authority are:

- 24 (1) ensuring an appropriate diversity in the character of land in the trust corpus and in  
25 state ownership;
- 26 (2) additional development and income generating potential as a result of trust ownership;
- 27 (3) the public interest in retaining specific land in state ownership;
- 28 (4) public benefits resulting from the exchange;
- 29 (5) benefits to the trust resulting from the exchange; and
- 30 (6) efficiency of land management resulting from the exchange.

**Chapter 66**

1 (f) Exchanges under this section shall be negotiated by the plaintiffs in Weiss v. State of Alaska,  
2 4FA-82-2208 Civil, and the commissioner of natural resources.

3 (g) The provisions of AS 38.50 do not apply to exchanges under this section.

4 (h) If agreement cannot be reached between the plaintiffs in Weiss v. State of Alaska, 4FA-82-  
5 2208 Civil, and the commissioner of natural resources under (f) of this section as to appropriate lands  
6 to be conveyed to the trust as compensation or as to the value of the original lands taken or of  
7 replacement lands, the Alaska Supreme Court shall resolve the disagreements using the criteria set out  
8 in this section. The Alaska Supreme Court may order the commissioner of natural resources to convey  
9 appropriate state land to the trust without further legislative authorization.

10 \* **Sec. 56. SECURITY FOR COMPENSATION TO TRUST.** (a) To secure the reconstitution of  
11 the trust as provided in secs. 54 and 55 of this Act, the land listed in "Lands Hypothecated to the Mental  
12 Health Trust, May 1991" located in the office of the director of the division of lands, Department of  
13 Natural Resources, in Anchorage, Alaska, is hypothecated to the mental health trust.

14 (b) Title to the land specified in (a) of this section remains with the state, and so long as no  
15 default exists under secs. 54 and 55 of this Act, and AS 37.14.036(c), added by sec. 11 of this Act, any  
16 income from that land shall be deposited in the general fund and considered unrestricted general funds  
17 of the state.

18 (c) As the reconstitution of the trust provided under secs. 54 and 55 of this Act is accomplished,  
19 and upon request, the hypothecated land shall be released on a pro rata basis, provided, however, the  
20 remaining hypothecated land shall at all times be sufficient to provide security for the remaining  
21 exchanges to be accomplished under sec. 55 of this Act.

22 (d) Upon default, or if the trust is not reconstituted by December 1, 1994, the foreclosure of the  
23 hypothecated lands, including the parcels to be foreclosed and manner of foreclosure, shall be determined  
24 by the court under sec. 57 of this Act.

25 \* **Sec. 57. JURISDICTION ASSIGNED TO THE ALASKA SUPREME COURT.** (a)  
26 Notwithstanding any other provision of law, the Alaska Supreme Court has original and exclusive  
27 jurisdiction to hear and determine any dispute arising under secs. 54 - 56 of this Act.

28 (b) If for any reason the Alaska Supreme Court determines that the jurisdiction conferred under  
29 this Act is invalid, the superior court shall have jurisdiction over proceedings described in (a) of this  
30 section.

1 (c) The Alaska Supreme Court or the Superior Court may refer the proceedings under this  
2 section to a special master.

3 • Sec. 5B. This Act takes effect upon entry of a final order dismissing Weiss v. State of Alaska, 4FA-  
4 82-2208 Civil, and the expiration of any time for appeal. The superior court shall advise the lieutenant  
5 governor and the revisor of statutes when the final settlement and order of Weiss v. State of Alaska has  
6 been approved.



4050 Lake Otis Suite 103  
Anchorage, Alaska 99508  
(907) 561-3127  
FAX (907) 561-2717

September 19, 1994  
Patrick E. Murphy  
2400 Douglas Hwy., No.2  
Juneau, Alaska 99801  
907-364-2374

Board of Directors  
Alaska Alliance for the Mentally Ill  
110 W. 15th Ste. B  
Anchorage, AK 907-277-1300

Re: Findings and Recommendations of the Alaska Alliance Evaluation Committee on the  
Mental Health Lands Trust Proposed Settlement.

Dear Board of Directors,

I was asked by you to chair a committee to do a detailed evaluation of the proposed settlement of the Mental Health Lands Trust case. The case is set for final approval hearings before the Honorable Judge Mary Greene beginning October 24, 1994. My qualifications for this task as stated by the Board at its meeting on September 2, 1994 were my twenty years of practice as an attorney, my prior involvement as co-chair for a time of the Beneficiary Coalition Group that worked on past settlements and my personal involvement with mental health issues due to my son's 12 year bout with mental illness.

The other members of the committee included Dick Wilson (former state-wide mental health board member), Wes Terwilliger, and Tom Ryan (all AKAMI Board Members).

As we all know the Mental Health Trust lands issue is an extremely complex one and has been since the 1985 Alaska Supreme court's decision in State v. Weiss. Three prior major attempts were made at settlement through legislation, in 1987 (chapter 48), 1990 (chapter 210), and 1991 (chapter 66). These settlements all failed because of the complexity of the issues and the many parties involved; the Legislature, Executive branch, all five beneficiary groups, land owners, business groups, and environmental

ALASKA ALLIANCE FOR THE MENTALLY ILL

*"Providing education, advocacy, and support for the  
families of the mentally ill"*

interests. The present settlement is the fourth attempt which I will call the HB 201 1994 settlement for the rest of this letter.

I have spent approximately 25 hours reviewing all the court documents presented to Judge Greene at the evidentiary hearings between July 12-22, 1994. I also spoke to attorney Jeff Jesse and AKAMI President John Malone who favor the settlement as well as speaking for almost three hours with attorney David Walker and Jim Gottstein who oppose the settlement. Commissioner Harry Noah was next on my list. He is the State's lead representative in this case. The focus of this meeting was the past, current, and future management by the state of Trust lands. Particularly the framework of the management under the new DNR Trust Unit and that unit's relationship with the Trust Authority created under the current settlement.

A breakdown of the players supporting and opposing the HB 201 settlement is as follows:

Supporting

Alaska Legislature  
Governor  
Executive Branch  
Beneficiary Groups -  
(except those in the opposition column)  
Environmental groups  
Business, coal, and oil interests  
Land owner groups

Opposing

Alaska Mental Health Association  
Represented by Attorney Gottstien  
Vern Weiss and Earl Hilliker  
Represented by Attorney Walker

Rather than try to summarize the entire nine years of litigation and all the parties positions in this letter, The committee is going to use the following procedure in an effort to be an "honest broker":

1) Provide each AKAMI Board member and Affiliate President a copy of Judge Greene's excellent 58 page decision that sets out background and history, a detailed summary of the proposed settlement, the standards for approval of a settlement, a detailed discussion of each objection to the settlement raised by attorneys Gottstein and Walker, a discussion of the risks of future litigation and a review of the valuation issues. If we write a letter to all our members we will not be able to include the Judge's decision.

2) Provide each member the August 10, 1994 position paper prepared by those favoring the settlement and the August 26, 1994 position paper prepared by attorneys Gottstein and Walker.

I will say up front that the Alaska Alliance Evaluation Committee favors the HB 201 settlement with the qualifications noted below. We believe the August 10, 1994

position paper by Jeff Jesse to be closer to our own position and more accurately reflects our view of the settlement. So we would ask that anyone receiving this letter to give the August 10, 1994 letter a careful reading. Our committee would also add an important cautionary note to all our members prompted by what we consider to be questionable communication with some of our members by one of the attorneys. This was a pre-filled out response to Judge Greene prepared by Attorney Gottstein and mailed to our members. This complex issue is of the utmost importance to us, and requires careful deliberation. We doubt that forms already filled out by one of the attorneys opposed to the litigation will have much impact on Judge Greene's decision one way or the other. We ask that our members take all views including ours into consideration and make a well-reasoned decision.

Attorneys opposing the settlement raised several valid points before Judge Greene which we have been working to get resolved and included in the settlement. Judge Greene while granting preliminary approval of the settlement on July 29, 1994 was concerned about these particular matters. Attorneys Jesse and Volland and our AKAMI President, John Malone, have been working almost nonstop to resolve these final issues holding up a settlement everyone can live with. As you are aware there will be a special session on September 26-29, 1994 in which the following issues raised by those opposing the settlement will be resolved:

- 1) Substitute land will be included in the settlement for the 116,000 acres of land in the Salcha area (Fairbanks) which can not be legally conveyed at this time as a part of the settlement.
- 2) All \$200 million of the cash payment will be deposited in the corpus of the trust prior to a final settlement.
- 3) Technical errors in the list of land to be conveyed will be corrected.

There are three additional issues which have been argued by counsel opposed to settlement which should not impede the HB 201 settlement.

- 4) If the proposed settlement is not approved by December 15, 1994, certain punitive "cram down" provisions in HB 201 go into effect. In all likelihood these legislative efforts would be held to be invalid by the court. In any case, the parties most likely to invoke them are the two attorneys opposing the settlement. This issue in our minds rates little importance in evaluating the settlement.
- 5) At the July 1994, hearing before Judge Greene attorneys for the State of Alaska assured Judge Greene in open court and on record "that if there was a material change, the class would have all the claims they have today and would be free to assert them." In other words, Judge Greene asserted in her opinion in case of a breach by the State the beneficiaries would be free to file a new action asserting all claims they have today. Attorneys Walker and Gottstein want these statements

made part of the settlement agreement.

6) Additionally, Commissioner Noah's testimony at this July 1994 hearing that the State had previously not managed the Trust with regard to its fiduciary obligations, has not met these fiduciary obligations in the past but must do so, regardless of this litigation.

Attorneys Walker and Gottstein also want the statements of Commissioner Noah to be made part of the settlement agreement, and we agree. We both support this and we are working to make this happen. We believe that it will happen by the time you receive this letter or by the end of the special session. With these six corrections all requests, except the following two made by the two opposing attorneys, will have been met ( see the attached September 5, 1994 letter from attorney Walker to Senate President Halford):

1) They wish to fashion a compromise regarding identification of the encumbrances on and survey the land to be conveyed by the Trust. It must be remembered that most of the land in this State has not been surveyed and the encumbrances are unknown. The State received this land from the Federal government. The Trust is receiving the same degree of title that the State had received from the Federal Government. The Trust will have to resolve the individual survey and encumbrance problems as they arise at the time of disposal. This is not a valid basis for preventing a settlement.

2) They wish to include the coal resources that are a part of the original Trust grant in the reconstruction package. As we know, neither party can get everything they wish in a settlement. Judge Greene made a detailed twelve page analysis of the value being received by the beneficiaries ( see page's 45-57) which I am not going to repeat. Our committees' analysis is that the value received outweighs the considerable risk of litigation.

The committee wishes to make two final points. First, we believe Judge Greene has probably overstated what is possible in a case of breach by the State when she said "they would be free to file a new action asserting all the claims they have today." We believe there are certain lands on which we could lose our leverage once this settlement is signed. We believe the following would likely be lost if a future breach occurred:

1) We would not be able to reassert claims to 40,000 acres of "Mom and Pop" land once settlement is completed. However, prior to this settlement Mr. Gottstein had already gone on record indicating the tenuous hold we have on these lands and his willingness to release these "hostages."

2) We may be able to reassert claims on 10,000 acres of Municipal lands.

3) We may be able to reassert claims on the remaining approximately 385,000 acres of legislatively designated lands, as they would remain in State ownership.

Most likely any future court action involving a reassertion of claims on original trust lands due to a material breach of this agreement would first be viewed by how this litigation is being dismissed. Under the current proposed settlement and statute, we are dismissing "with prejudice." This means that we may have given up the right to reassert claims to the trust lands conveyed under this agreement. ( These lands are the previously described 435,000 acres.) Being bound by this prejudice would in all probability be weighed against the enforcement provisions contained in the proposed settlement agreement. This prejudice should not limit or render those provisions meaningless. There is probably no way anyone can say with any degree of certainty, under this or any other settlement, of how we would prevail in the event of future legal action over a material breach in regard to the reassertion of claims to the original trust lands that will be conveyed by this settlement.

However, it must be remembered that we are not without security in the case of a breach by the State. We have 935,000 acres of land, \$200 million in cash and the likely right to reassert claims to the 385,000 acres of legislatively designated land, and possibly the 10,000 acres of Municipal lands.

As our second and final point, we favor the settlement because, it is now or never. We say this for the following reasons:

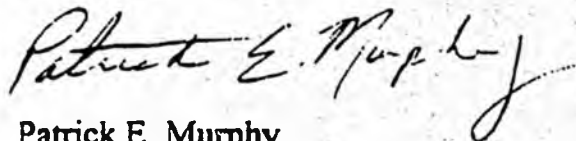
- 1) If this settlement fails there will not be a "settlement number five." Litigation is then our only recourse.
- 2) Such litigation would be conducted in a very hostile public, legislative and judicial environment.
- 3) Any future settlement in this case because of the extreme complexity would be subject to as many, or more problems.
- 4) Our AKAMI leadership has not been happy with the representation we have received in several instances over the last nine years. "Our attorney" is one of the opposing attorneys and the leadership feels that many times we were not consulted and that our input was disregarded. There is little assurance that we would be treated any differently in the future.

With all of the preceding in mind, we must remain focused on what this settlement really does for us. No one is advocating that this be viewed as a perfect settlement. As previously stated, it is the result of complex negotiations involving very complex issues that necessarily involved a great many players all of whom desired particular outcomes from the negotiations. This would be true of any negotiated settlement in this matter. In our minds, the benefits achieved far exceed any we would receive in a litigated settlement. Reference is made to the August 10, 1994 position paper by Jeff Jesse which is attached to this letter and sets out the list of benefits gained by virtue of the settlement.

settlement. Reference is made to the August 10, 1994 position paper by Jeff Jesse which is attached to this letter and sets out the list of benefits gained by virtue of the settlement.

In conclusion, we must remember that we represent many hundreds of constituents that are direct beneficiaries of mental health services, their families, friends and supporters when we speak. We are all responsible for a well-reasoned position in this matter. Therefore, we urge your support for the HB 201 settlement and ask you to communicate this support through letters and petitions from each AKAMI Affiliate to Judge Greene.

Sincerely,




Patrick E. Murphy

Signed by:

Date 9/19/94 Dick Wilson 

Date 9-19-94 Wes Terwilliger 

Date 9-19-94 Tom Ryan 

# MEMORANDUM

Department of Natural Resources

State of Alaska

Division of Land

TO: Commissioner Noah

DATE: September 23, 1994

TELEPHONE NO.: 762-2239

FROM: Bruce Phelps, Project Manager <sup>Fr</sup>  
Mental Health Settlement Unit

SUBJECT: Explanation of Land List  
Revisions

The State and Plaintiffs who favor settlement agreed to review parcels designated or not designated as Trust land to ensure that each side obtained the benefit of the bargain. The parties in the settlement agreed that certain types of land would be designated as Trust land (such as those that are unencumbered, subject only to leases. The parties also agreed that certain types of land would not be designated as Trust land (such as those sold to moms & pops, within LDA's, lands conveyed to municipalities, subject to coal leases, or within an agricultural project.

The land list corrections address parcels which were not correctly identified in the April 28, 1994 list.

The following description is organized by the category of the land list revisions:

## OTL - Fee Estate

Additions: 86 parcels, 4,245 acres, were added for the following reasons:

- \* They were missed or incorrectly identified in the original title research and the parcel is appropriate for conveyance. Examples include parcels that were simply missed or that had been sub-parcelized and the conveyable portion of the parcel was not included.
- \* The parties agreed that certain parcels containing unused or vacant areas of an area managed by a state agency could be conveyed. Examples include areas of unused land or no longer needed gravel pits.

Deletions: 30 parcels, 3523 acres, were deleted for the following reasons:

- \* Parcels were incorrectly identified as conveyable in the original title research and were later found to be non conveyable. Parcels were conveyed out of state ownership or contained public uses that had been consistently classified as non-conveyable. For example, a QCD was found to exist or a parcel was issued as a community park.
- \* The parties agreed that certain parcels were appropriate for deletion because they contained sensitive public facilities or areas.

## OTL - Hydrocarbon Only

Additions: 10 parcels, 1,508 acres, were added because DNR had agreed to convey the hydrocarbon portion of the mineral estate within those areas of the Cook Inlet Basin south of the Little Susitna River that DNR recognized as having some O&G potential. Ten tracts were missed.

Deletions: 7 parcels, 104 acres, were deleted because certain parcels that had been identified as conveyable hydrocarbon (only) are now included as conveyable under the fee estate. They were deleted from the hydrocarbon list to avoid confusion over which portion of the estate is being conveyed.

Commissioner Noah  
September 23, 1994

page 2

### **OTL - Coal, and O&G Only**

Additions: 17 parcels, 687 acres, were added because subsequent title research uncovered that the state still owns the coal, oil and gas portion of the mineral estate to 17 parcels within the Kenai peninsula. These parcels were missed in the 1988 title research and DNR classified this area as conveyable for the hydrocarbon portion of the mineral estate.

### **OTL - Mineral Estate Only**

Deletions: 2 parcels; 56 acres. DNR conveyed only the mineral estate within the Matanuska Valley Moose Range LDA. Recent title research determined that there were two private inholdings within the LDA boundary. Private inholdings are excluded from the LDA.

### **Other State Land - Fee Estate**

Additions: 7 parcels; 34 acres. The parties agreed to re-examine the factual reasons why DNR objected to parcels being added to the Trust. Seven parcels were added because the original reason for the objection was no longer found to be valid or portions of the parcel were appropriate for conveyance.

Deletions: 45 parcels, 8,917 acres. Those parcels containing school trust land were deleted. The State and Plaintiffs who favor settlement did not want to create another trust problem, this time involving the school trust. The previous settling Plaintiffs were not concerned with this potential problem and DNR had consistently used these types of lands in previous settlements and exchanges. In addition, the public use area (C5137 acres) of the Fort Knox mining project in Fairbanks was also deleted. The Plaintiffs, State and Amex (Ft. Knox) had previously agreed that this public use area would not be designated as Trust land.

### **Other State Land - Hydrocarbon Only**

Additions: 1 parcel, 160 acres. A parcel having conveyable hydrocarbon portion of the mineral estate within the Kenai Peninsula was missed. This area had been consistently classified as conveyable (hydrocarbon) only.

### **Other State Land - Mineral Estate Only**

Deletion: The Salcha mineral estate parcel was deleted (117,000 acres) because of a military withdrawal and the presence of a bombing/firing range.

Addition: The Salcha mineral estate replacement parcel was added (184,000 acres) to replace the initial parcel. The additional acreage was required to allow an equal value replacement, required under the Settlement Agreement.

Commissioner Noah  
September 23, 1994

page 3

PARCEL/ACREAGE SUMMARY

	<u>Parcels</u>	<u>Acres</u>
Fee Estate		
Additions	93	4,279
Deletions	<u>(75)</u>	<u>(12,440)</u>
Net	18	( 8,161)
Mineral Estate		
Additions	30	186,675
Deletions	<u>(9)</u>	<u>(116,906)</u>
Net	21	69,769
Fe Estate & ME		
Additions	123	190,954
Deletions	<u>(84)</u>	<u>129,346</u>
Net	39	(61,608)

\*\* Mental Health PSL/OTL Data -- 21SEP94 --  
 \*\* summary by election district \*\*

ELECDISI	PARCEL	PRCL_ADD	PRCL_DEL	ACREADD	ACREDEL
700 (unknown)		0	1	0.00	0.18
A01 Ketchikan		8	5	937.26	1,857.13
A02 Sitka-Wrangell		2	0	4.47	0.00
B03 Downtown Juneau		4	0	4.85	0.00
B04 Mendenhall Valley		2	1	402.32	101.54
C05 Southeast Islands		23	2	362.27	80.24
D07 Homer		6	2	58.09	147.28
D08 Seward-Soldotna		4	5	18.72	138.72
E09 Kenai-Nikiski		20	1	1,047.42	80.00
N27 Palmer		4	3	569.84	71.50
N28 Wasilla-Talkeetna		14	17	1,422.13	380.60
O29 University-Ester		6	3	696.11	690.31
Q33 NE Fairbanks		13	28	184,599.85 *	118,436.24
Q34 North Pole-Denali		9	13	606.03	2,089.57
R36 Rural Interior		7	4	225.79	136.31
		=====	=====	=====	=====
		122	85	190,955.16 **	124,209.62

\* Increase in acreage (mineral estate only) required for equal value exchange to replace parcel F82863.

\*\* Increase in acreage in large part required for equal value exchange to replace parcel F82863. Only the mineral estate in this estate is being covered.

1 \*\* Mental Health PSL/OTL Data -- 21SEP94 --  
 \*\* summary by borough \*\*

BORO1	PARCEL	PRCL_ADD	PRCL_DEL	ACREADD	ACREDEL
00 (not in Borough)		15	5	300.63	159.26
03 Juneau City & Borough		6	1	407.17	101.54
04 Sitka City & Borough		1	1	2.32	0.18
06 Denali Borough		1	2	7.20	1,280.00
07 Fairbanks North Star Borough		26	41	185,854.41 *	119,936.12
08 Haines Borough		17	1	329.96	57.29
09 Kenai Peninsula Borough		30	8	1,124.23	366.00
10 Ketchikan Gateway Borough		8	5	937.26	1,857.13
13 Matanuska-Susitna Borough		18	20	1,991.97	452.10
		=====	=====	=====	=====
		122	84	190,955.16 **	124,209.62

\* Increase in acreage (mineral estate only) required for equal value exchange to replace parcel F82863.

\*\* Increase in acreage in large part required for equal value exchange to replace parcel F82863. Only the mineral estate in this estate is being covered.

BORO1	PARCEL	PRCL_ADD	PRCL_DEL	ACREADD	ACREDEL
00 (not in Borough)	C20797	1	0	1.29	0.00
	C20798	1	0	1.38	0.00
	C20799	1	0	1.53	0.00
	C20800	1	0	1.11	0.00
	C20817	1	0	14.00	0.00
	C70925	1	0	13.00	0.00
	CRM-1038	0	1	0.00	22.95
	CRM-2086	1	0	2.15	0.00
	FM-1080	1	0	9.55	0.00
	FM-1175	0	1	0.00	119.23
	FM-1175-01	1	0	33.00	0.00
	FM-1175-02	1	0	119.23	0.00
	FM-1176	0	1	0.00	3.33
	FM-1179	1	0	17.91	0.00
	FM-1204	1	0	40.38	0.00
	FM-1415	0	1	0.00	8.75
	FM-1415-01	1	0	19.10	0.00
	FM-1553-02	1	0	24.00	0.00
	FM-1560	0	1	0.00	5.00
	FM-1605	1	0	3.00	0.00
-----					
00 (not in Borough)		15	5	300.63	159.26
03 Juneau City & Borough	CRM-0923	1	0	386.20	0.00
	CRM-1138-03	1	0	16.12	0.00
	CRM-1227	1	0	1.05	0.00
	CRM-1229	1	0	1.25	0.00
	CRM-1246	1	0	1.25	0.00
	CRM-1247	1	0	1.30	0.00
	CRM-5029	0	1	0.00	101.54
-----					
03 Juneau City & Borough		6	1	407.17	101.54
04 Sitka City & Borough	C20571	1	0	2.32	0.00
	CRM-1594	0	1	0.00	0.18
-----					
04 Sitka City & Borough		1	1	2.32	0.18
06 Denali Borough	F20692	0	1	0.00	640.00
	F20698	0	1	0.00	640.00
	FM-1663-02	1	0	7.20	0.00
-----					
06 Denali Borough		1	2	7.20	1,280.00
07 Fairbanks North Star Borough	F20284	0	1	0.00	240.00
	F20285	0	1	0.00	80.00
	F20312	0	1	0.00	320.00
	F20444	0	1	0.00	80.00
	F20445	0	1	0.00	4.64
	F20446	0	1	0.00	5.15

BORO1	PARCEL	PRCL_ADD	PRCL_DEL	ACREADD	ACREDEL
07 Fairbanks North Star Borough	F20447	0	1	0.00	4.69
	F20448	0	1	0.00	4.64
	F20449	0	1	0.00	4.64
	F20450	0	1	0.00	3.77
	F20451	0	1	0.00	13.86
	F20452	0	1	0.00	6.79
	F20453	0	1	0.00	5.30
	F20454	0	1	0.00	5.00
	F20455	0	1	0.00	5.00
	F20456	0	1	0.00	5.03
	F20457	0	1	0.00	4.13
	F20458	0	1	0.00	4.58
	F20459	0	1	0.00	5.25
	F20460	0	1	0.00	5.03
	F20461	0	1	0.00	5.13
	F20530.001	0	1	0.00	19.46
	F20530.002	0	1	0.00	3.20
	F20530.003	0	1	0.00	400.00
	F70015	0	1	0.00	640.00
	F82863	0	1	0.00	116,745.26
	F82863-R	1	0	184,320.00	0.00
	FM-0138	0	1	0.00	7.00
	FM-0138-01	1	0	3.50	0.00
	FM-0138-02	1	0	4.46	0.00
	FM-0160	0	1	0.00	132.96
	FM-0160-01	1	0	132.60	0.00
	FM-0160-03	1	0	0.36	0.00
	FM-0202	0	1	0.00	34.75
	FM-0202-01	1	0	34.75	0.00
	FM-0221	0	1	0.00	57.15
	FM-0221-01	1	0	2.50	0.00
	FM-0221-03	1	0	56.70	0.00
	FM-0221-04	1	0	0.45	0.00
	FM-0231-201	1	0	16.80	0.00
	FM-0231-202	1	0	15.00	0.00
	FM-0231-204	1	0	10.33	0.00
	FM-0389-02	1	0	0.01	0.00
	FM-0429	0	1	0.00	10.00
	FM-0429-02	1	0	7.00	0.00
	FM-0429-03	1	0	2.00	0.00
	FM-0439	0	1	0.00	112.55
	FM-0439-01	1	0	112.54	0.00
	FM-0540	0	1	0.00	6.50
	FM-0690-B	0	1	0.00	2.21
	FM-0691-G	0	1	0.00	127.00
	FM-0691-G01	1	0	14.00	0.00
	FM-0691-G03	1	0	95.00	0.00
	FM-0706	0	1	0.00	238.50
	FM-0706-01	1	0	238.00	0.00
	FM-0718	0	1	0.00	1.49

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ELECDISI	PARCEL	PRCL_ADD	PRCL_DEL	ACREADD	ACREDEL
700 (unknown)	CRM-1594	0	1	0.00	0.18
A01 Ketchikan	CRM-2617	0	1	0.00	200.37
	CRM-2617-01	1	0	157.00	0.00
	CRM-2950	1	0	20.55	0.00
	CRM-3129-02	0	1	0.00	1,500.88
	CRM-3129-02A	1	0	140.00	0.00
	CRM-3157-02	0	1	0.00	152.00
	CRM-3157-02A	1	0	138.00	0.00
	CRM-3158-01	1	0	473.34	0.00
	CRM-3166	0	1	0.00	3.58
	CRM-3171	1	0	3.67	0.00
	CRM-3392-01	1	0	1.31	0.00
	CRM-3392-02	1	0	3.39	0.00
	CRM-3392-03	0	1	0.00	0.30
-----					
A01 Ketchikan		8	5	937.26	857.13
A02 Sitka-Wrangell	C20571	1	0	2.32	0.00
	CRM-2086	1	0	2.15	0.00
-----					
A02 Sitka-Wrangell		2	0	4.47	0.00
B03 Downtown Juneau	CRM-1227	1	0	1.05	0.00
	CRM-1229	1	0	1.25	0.00
	CRM-1246	1	0	1.25	0.00
	CRM-1247	1	0	1.30	0.00
-----					
B03 Downtown Juneau		4	0	4.85	0.00
B04 Mendenhall Valley	CRM-0923	1	0	386.20	0.00
	CRM-1138-03	1	0	16.12	0.00
	CRM-5029	0	1	0.00	101.54
-----					
B04 Mendenhall Valley		2	1	402.32	101.54
C05 Southeast Islands	C20797	1	0	1.29	0.00
	C20798	1	0	1.38	0.00
	C20799	1	0	1.53	0.00
	C20800	1	0	1.11	0.00
	C20817	1	0	14.00	0.00
	C70925	1	0	13.00	0.00
	CRM-0022	1	0	36.86	0.00
	CRM-0023	1	0	17.10	0.00
	CRM-0028	1	0	0.29	0.00
	CRM-0029	1	0	11.35	0.00
	CRM-0036	1	0	28.36	0.00
	CRM-0197-02	1	0	20.00	0.00
	CRM-0198-02	1	0	20.00	0.00
	CRM-0199-02	1	0	20.00	0.00

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ELECDISI	PARCEL	PRCL_ADD	PRCL_DEL	ACREADD	ACREDEL
C05 Southeast Islands	CRM-0206-02	1	0	25.00	0.00
	CRM-0259	1	0	12.08	0.00
	CRM-0377	1	0	3.33	0.00
	CRM-0393-02	1	0	40.00	0.00
	CRM-0505	0	1	0.00	57.29
	CRM-0571	1	0	17.38	0.00
	CRM-0572	1	0	19.34	0.00
	CRM-0605-B	1	0	40.00	0.00
	CRM-0704	1	0	11.37	0.00
	CRM-0723-01	1	0	7.50	0.00
	CRM-1038	0	1	0.00	22.95
-----					
C05 Southeast Islands		23	2	362.27	80.24
D07 Homer	S20077	0	1	0.00	120.00
	SM-0315-01	1	0	5.00	0.00
	SM-0342	1	0	0.22	0.00
	SM-0475	0	1	0.00	27.28
	SM-0476	1	0	19.95	0.00
	SM-0484	1	0	27.06	0.00
	SM-5012	1	0	4.61	0.00
	SM-5025	1	0	1.23	0.00
-----					
D07 Homer		6	2	58.09	147.28
D08 Seward-Soldotna	S20012	0	1	0.00	120.00
	SH-0494-A	1	1	10.00	10.00
	SH-0699	1	1	2.47	2.47
	SH-0700	1	1	2.70	2.70
	SH-0702	1	1	3.55	3.55
-----					
D08 Seward-Soldotna		4	5	18.72	158.72
E09 Kenai-Nikiski	S50219	1	0	160.00	0.00
	SH-0997-B	1	0	120.00	0.00
	SM-1420	1	1	80.00	80.00
	SM-5500	1	0	40.00	0.00
	SM-5501	1	0	39.18	0.00
	SM-5502	1	0	29.61	0.00
	SM-5503	1	0	37.93	0.00
	SM-5504	1	0	20.75	0.00
	SM-5505	1	0	37.16	0.00
	SM-5506	1	0	14.98	0.00
	SM-5507	1	0	80.00	0.00
	SM-5508	1	0	25.17	0.00
	SM-5509	1	0	80.00	0.00
	SM-5510	1	0	37.61	0.00
	SM-5511	1	0	27.93	0.00
	SM-5512	1	0	39.87	0.00
	SM-5513	1	0	40.00	0.00

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 \*\* Increase in acreage in large part required for equal value exchange to replace parcel F82863. Only the mineral estate in this estate is being covered.

BORO1	PARCEL	PRCL_ADD	PRCL_DEL	ACREADD	ACREDEL	
07 Fairbanks North Star Borough	FM-0718-01	1	0	1.34	0.00	
	FM-0719	0	1	0.00	1.50	
	FM-0719-01	1	0	0.15	0.00	
	FM-0749-A	1	0	200.00	0.00	
	FM-0788	0	1	0.00	6.25	
	FM-0824	0	1	0.00	9.96	
	FM-0824-02	1	0	9.96	0.00	
	FM-0952-A	0	1	0.00	567.76	
	FM-0952-A01	1	0	566.76	0.00	
	FM-1008-02	1	0	7.80	0.00	
	FM-5003	1	0	2.40	0.00	
	-----					
	07 Fairbanks North Star Borough		26	41	185,854.41 **	119,936.12
08 Haines Borough	CRM-0022	1	0	36.86	0.00	
	CRM-0023	1	0	17.10	0.00	
	CRM-0028	1	0	0.29	0.00	
	CRM-0029	1	0	11.35	0.00	
	CRM-0036	1	0	28.36	0.00	
	CRM-0197-02	1	0	20.00	0.00	
	CRM-0198-02	1	0	20.00	0.00	
	CRM-0199-02	1	0	20.00	0.00	
	CRM-0206-02	1	0	25.00	0.00	
	CRM-0259	1	0	12.08	0.00	
	CRM-0377	1	0	3.33	0.00	
	CRM-0393-02	1	0	40.00	0.00	
	CRM-0505	0	1	0.00	57.29	
	CRM-0571	1	0	17.38	0.00	
	CRM-0572	1	0	19.34	0.00	
	CRM-0605-B	1	0	40.00	0.00	
	CRM-0704	1	0	11.37	0.00	
	CRM-0723-01	1	0	7.50	0.00	
	-----					
	08 Haines Borough		17	1	329.96	57.29
09 Kenai Peninsula Borough	S20012	0	1	0.00	120.00	
	S20077	0	1	0.00	120.00	
	S50219	1	0	160.00	0.00	
	SM-0315-01	1	0	5.00	0.00	
	SM-0342	1	0	0.22	0.00	
	SM-0475	0	1	0.00	27.28	
	SM-0476	1	0	19.95	0.00	
	SM-0484	1	0	27.08	0.00	
	SM-0494-A	1	1	10.00	10.00	
	SM-0699	1	1	2.47	2.47	
	SM-0700	1	1	2.70	2.70	
	SM-0702	1	1	3.55	3.55	
	SM-0997-B	1	0	120.00	0.00	
	SM-1070	1	1	80.00	80.00	
	SM-5012	1	0	4.61	0.00	

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BORO1	PARCEL	PRCL_ADD	PRCL_DEL	ACREADD	ACREDEL
09 Kenai Peninsula Borough	SM-5025	1	0	1.23	0.00
	SM-5500	1	0	40.00	0.00
	SM-5501	1	0	39.18	0.00
	SM-5502	1	0	29.61	0.00
	SM-5503	1	0	37.92	0.00
	SM-5504	1	0	20.75	0.00
	SM-5505	1	0	37.18	0.00
	SM-5506	1	0	14.98	0.00
	SM-5507	1	0	80.00	0.00
	SM-5508	1	0	25.17	0.00
	SM-5509	1	0	80.00	0.00
	SM-5510	1	0	37.61	0.00
	SM-5511	1	0	27.93	0.00
	SM-5512	1	0	39.87	0.00
	SM-5513	1	0	40.00	0.00
	SM-5514	1	0	80.00	0.00
	SM-5515	1	0	26.65	0.00
SM-5516	1	0	30.56	0.00	
-----					
09 Kenai Peninsula Borough		30	8	1,124.23	366.00
10 Ketchikan Gateway Borough	CRM-2617	0	1	0.00	200.00
	CRM-2617-01	1	0	157.00	0.00
	CRM-2950	1	0	20.55	0.00
	CRM-3129-02	0	1	0.00	1,500.88
	CRM-3129-02A	1	0	140.00	0.00
	CRM-3157-02	0	1	0.00	152.00
	CRM-3157-02A	1	0	138.00	0.00
	CRM-3158-01	1	0	473.34	0.00
	CRM-3166	0	1	0.00	3.58
	CRM-3171	1	0	3.67	0.00
	CRM-3392-01	1	0	1.31	0.00
	CRM-3392-02	1	0	3.39	0.00
	CRM-3392-03	0	1	0.00	0.30
-----					
10 Ketchikan Gateway Borough		8	5	931.25	1,857.11
13 Matanuska-Susitna Borough	S20535	0	1	0.00	40.00
	S20537	0	1	0.00	0.71
	S20538	0	1	0.00	0.71
	S20539	0	1	0.00	0.79
	S20540	0	1	0.00	0.85
	S20541	0	1	0.00	0.77
	S20542	0	1	0.00	0.71
	S20543	0	1	0.00	1.01
	S20544	0	1	0.00	0.63
	S20545	0	1	0.00	0.61
	S20546	0	1	0.00	0.78
	S20547	0	1	0.00	0.84
S20548	0	1	0.00	0.97	

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\*\* Mental Health PSL/OTL Data -- 21SEP94 --  
 \*\* summary by election district \*\*

ELECDISI	PARCEL	PRCL_ADD	PRCL_DEL	ACREADD	ACREDEL	
E09 Kenai-Nikiski	SM-5514	1	0	80.00	0.00	
	SM-5515	1	0	26.65	0.00	
	SM-5516	1	0	30.56	0.00	
-----						
E09 Kenai-Nikiski		20	1	1,047.42	80.00	
N27 Palmer	S20569	0	1	0.00	15.00	
	SM-0018	1	0	315.48	0.00	
	SM-0243-02	1	0	14.65	0.00	
	SM-0279-A	0	1	0.00	24.00	
	SM-0280-A	0	1	0.00	32.50	
	SM-5013	1	0	229.71	0.00	
	SM-5014	1	0	10.00	0.00	
-----						
N27 Palmer		4	3	569.84	71.50	
N28 Wasilla-Talkeetna	S20535	0	1	0.00	40.00	
	S20537	0	1	0.00	0.71	
	S20538	0	1	0.00	0.71	
	S20539	0	1	0.00	0.79	
	S20540	0	1	0.00	0.85	
	S20541	0	1	0.00	0.77	
	S20542	0	1	0.00	0.91	
	S20543	0	1	0.00	1.01	
	S20544	0	1	0.00	0.63	
	S20545	0	1	0.00	0.61	
	S20546	0	1	0.00	0.78	
	S20547	0	1	0.00	0.84	
	S20548	0	1	0.00	0.97	
	S20567	0	1	0.00	320.00	
	SM-1624	1	0	0.45	0.00	
	SM-1625	1	0	1.27	0.00	
	SM-1626	1	0	2.91	0.00	
	SM-1627	1	0	3.51	0.00	
	SM-1628	1	0	4.89	0.00	
	SM-1831	1	0	3.33	0.00	
	SM-1845	1	0	475.80	0.00	
	SM-1848	1	0	528.87	0.00	
	SM-1860	1	0	297.04	0.00	
	SM-2004	1	1	5.00	5.00	
	SM-2007	1	1	1.01	1.01	
	SM-2191	0	1	0.00	5.00	
	SM-2503	1	0	16.36	0.00	
	SM-5007	1	0	9.76	0.00	
	SM-5016	1	0	1.94	0.00	
	-----					
	N28 Wasilla-Talkeetna		14	17	1,422.13	380.60
	O29 University-Ester	FM-0389-02	1	0	0.01	0.00
		FM-0429	0	1	0.00	10.00

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 \*\* Increase in acreage in large part required for equal value exchange to replace parcel F82863. Only the mineral estate in this estate is being covered.

3 \*\* Mental Health PSL/OTL Data -- 21SEP94 --  
 \*\* summary by election district \*\*

ELECDISI	PARCEL	PRCL_ADD	PRCL_DEL	ACREADD	ACREDEL
O29 University-Ester	FM-0429-02	1	0	7.00	0.00
	FM-0429-03	1	0	2.00	0.00
	FM-0439	0	1	0.00	112.55
	FM-0439-01	1	0	112.54	0.00
	FM-0952-A	0	1	0.00	567.76
	FM-0952-A01	1	0	566.76	0.00
	FM-1008-02	1	0	7.80	0.00
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O29 University-Ester		6	3	696.11	690.31
Q33 NE Fairbanks	F20284	0	1	0.00	240.00
	F20285	0	1	0.00	80.00
	F20312	0	1	0.00	320.00
	F20444	0	1	0.00	80.00
	F20445	0	1	0.00	4.64
	F20446	0	1	0.00	5.15
	F20447	0	1	0.00	4.69
	F20448	0	1	0.00	4.64
	F20449	0	1	0.00	4.64
	F20450	0	1	0.00	3.77
	F20451	0	1	0.00	13.86
	F20452	0	1	0.00	6.79
	F20453	0	1	0.00	5.30
	F20454	0	1	0.00	5.00
	F20455	0	1	0.00	5.00
	F20456	0	1	0.00	5.03
	F20457	0	1	0.00	4.13
	F20458	0	1	0.00	4.58
	F20459	0	1	0.00	5.25
	F20460	0	1	0.00	5.03
	F20461	0	1	0.00	5.13
	F70015	0	1	0.00	640.00
	F82863	0	1	0.00	116,745.26
	F82863-R	1	0	194,320.00	0.00
	FM-0138	0	1	0.00	7.00
	FM-0138-01	1	0	3.50	0.00
	FM-0138-02	1	0	4.46	0.00
	FM-0160	0	1	0.00	132.26
	FM-0160-01	1	0	132.60	0.00
	FM-0160-03	1	0	0.36	0.00
FM-0202	0	1	0.00	34.75	
FM-0202-01	1	0	34.75	0.00	
FM-0221	0	1	0.00	57.15	
FM-0221-01	1	0	2.50	0.00	
FM-0221-03	1	0	56.70	0.00	
FM-0221-04	1	0	0.45	0.00	
FM-0231-201	1	0	16.80	0.00	
FM-0231-202	1	0	15.00	0.00	
FM-0231-204	1	0	10.33	0.00	
FM-0540	0	1	0.00	6.50	

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ELECDISI	PARCEL	PRCL_ADD	PRCL_DEL	ACREADD	ACREDEL
Q33 NE Fairbanks	FM-5003	1	0	2.40	0.00
Q33 NE Fairbanks		13	28	184,599.85 **	118,436.24
Q34 North Pole-Denali	F20530.001	0	1	0.00	19.46
	F20530.002	0	1	0.00	3.20
	F20530.003	0	1	0.00	400.00
	F20692	0	1	0.00	640.00
	F20698	0	1	0.00	640.00
	F82863	0	1	0.00	0.00
	FM-0690-B	0	1	0.00	2.21
	FM-0691-G	0	1	0.00	127.00
	FM-0691-G01	1	0	14.00	0.00
	FM-0691-G03	1	0	95.00	0.00
	FM-0706	0	1	0.00	238.50
	FM-0706-01	1	0	238.00	0.00
	FM-0718	0	1	0.00	1.49
	FM-0718-01	1	0	1.34	0.00
	FM-0719	0	1	0.00	1.50
	FM-0719-01	1	0	0.15	0.00
	FM-0749-A	1	0	200.00	0.00
	FM-0788	0	1	0.00	6.25
	FM-0824	0	1	0.00	9.96
	FM-0824-02	1	0	9.96	0.00
	FM-1204	1	0	40.38	0.00
	FM-1663-G2	1	0	7.20	0.00
Q34 North Pole-Denali		9	13	606.03	2,089.57
R36 Rural Interior	FM-1080	1	0	9.55	0.00
	FM-1175	0	1	0.00	119.23
	FM-1175-01	1	0	33.00	0.00
	FM-1175-02	1	0	119.23	0.00
	FM-1176	0	1	0.00	3.33
	FM-1179	1	0	17.91	0.00
	FM-1415	0	1	0.00	8.75
	FM-1415-01	1	0	19.10	0.00
	FM-1553-02	1	0	24.00	0.00
	FM-1560	0	1	0.00	5.00
	FM-1605	1	0	3.00	0.00
R36 Rural Interior		7	4	225.79	136.31
		122	85	190,955.16 **	124,209.62

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BORO1	PARCEL	PRCL_ADD	PRCL_DEL	ACREADD	ACREDEL
13 Matanuska-Susitna Borough	S20567	0	1	0.00	320.00
	S20569	0	1	0.00	15.00
	SM-0018	1	0	315.48	0.00
	SM-0243-02	1	0	14.65	0.00
	SM-0279-A	0	1	0.00	24.00
	SM-0280-A	0	1	0.00	32.50
	SM-1624	1	0	0.45	0.00
	SM-1625	1	0	1.27	0.00
	SM-1626	1	0	2.91	0.00
	SM-1627	1	0	3.51	0.00
	SM-1628	1	0	4.89	0.00
	SM-1831	1	0	3.33	0.00
	SM-1845	1	0	475.80	0.00
	SM-1848	1	0	598.87	0.00
	SM-1860	1	0	297.04	0.00
	SM-2004	1	1	5.00	5.00
	SM-2007	1	1	1.01	1.01
	SM-2191	0	1	0.00	5.00
	SM-2503	1	0	16.36	0.00
	SM-5007	1	0	9.76	0.00
	SM-5013	1	0	229.71	0.00
	SM-5014	1	0	10.00	0.00
	SM-5016	1	0	1.94	0.00
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13 Matanuska-Susitna Borough		18	20	1,991.97	452.10
		=====	=====	=====	=====
		122	84	190,955.16 **	124,209.62

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