

CONFERENCE CS FOR SS FOR HOUSE BILL NO. 40

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FIRST LEGISLATURE - FIRST SPECIAL SESSION

BY THE CONFERENCE COMMITTEE

Offered: 6/9/19

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

A BILL

FOR AN ACT ENTITLED

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

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

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

* **Section 1.** The following appropriation items are for operating expenditures from the general fund or other funds as set out in section 2 of this Act to the agencies named for the purposes expressed for the fiscal year beginning July 1, 2019 and ending June 30, 2020, unless otherwise indicated. A department-wide, agency-wide, or branch-wide unallocated reduction set out in this section may be allocated among the appropriations made in this section to that department, agency, or branch.

		Appropriation	General	Other
	Allocations	Items	Funds	Funds
	* * * * *	* * * * *		
	* * * * * Department of Administration * * * * *			
	* * * * *	* * * * *		
Legal and Advocacy Services		2,446,900	2,159,300	287,600
Office of Public Advocacy	2,067,300			
Public Defender Agency	379,600			
	* * * * *	* * * * *		
	* * * * * Department of Corrections * * * * *			
	* * * * *	* * * * *		
Community Residential Centers		1,000,000	1,000,000	
Community Residential	1,000,000			
Centers				
Health and Rehabilitation Services		9,489,500	9,091,000	398,500
Behavioral Health Care	6,863,600			
Substance Abuse Treatment	2,625,900			
Program				
	* * * * *	* * * * *		
	* * * * * Department of Education and Early Development * * * * *			
	* * * * *	* * * * *		
Education Support and Administrative		427,800	377,800	50,000
Services				
Student and School	427,800			
Achievement				

		Appropriation	General	Other
		Allocations	Funds	Funds
		* * * * *	* * * * *	
		* * * * * Department of Health and Social Services * * * * *		
		* * * * *	* * * * *	
6	Alaska Pioneer Homes		2,400,000	2,400,000
7	Pioneer Homes	2,400,000		
8	Alaska Psychiatric Institute		11,595,800	11,595,800
9	Alaska Psychiatric	11,595,800		
10	Institute			
11	Behavioral Health		67,588,600	66,191,100
12	Behavioral Health Treatment	44,749,900		
13	and Recovery Grants			
14	Alcohol Safety Action	1,486,500		
15	Program (ASAP)			
16	Behavioral Health	9,300,400		
17	Administration			
18	Behavioral Health	5,440,300		
19	Prevention and Early			
20	Intervention Grants			
21	Designated Evaluation and	2,794,800		
22	Treatment			
23	Alaska Mental Health Board	902,900		
24	and Advisory Board on			
25	Alcohol and Drug Abuse			
26	Suicide Prevention Council	652,500		
27	Residential Child Care	2,261,300		
28	Children's Services		2,191,900	2,191,900
29	Children's Services	69,500		
30	Management			
31	Front Line Social Workers	148,500		
32	Family Preservation	726,000		
33	Foster Care Augmented Rate	500,000		

		Appropriation	General	Other
		Allocations	Funds	Funds
1				
2				
3	Foster Care Special Need	747,900		
4	Health Care Services		135,800	7,900
5	Residential Licensing	135,800		
6	Medical Assistance	7,900		
7	Administration			
8	Juvenile Justice		1,304,600	163,300
9	McLaughlin Youth Center	767,900		
10	Fairbanks Youth Facility	120,900		
11	Bethel Youth Facility	66,500		
12	Probation Services	512,600		
13	Public Assistance		13,200	
14	Public Assistance	13,200		
15	Administration			
16	Public Health		4,118,300	240,000
17	Nursing	98,200		
18	Women, Children and Family	805,800		
19	Health			
20	Public Health	2,634,700		
21	Administrative Services			
22	Emergency Programs	779,600		
23	Bureau of Vital Statistics	40,000		
24	Senior and Disabilities Services		12,057,200	898,000
25	Senior and Disabilities	1,180,600		
26	Community Based Grants			
27	Early Intervention/Infant	7,424,500		
28	Learning Programs			
29	Senior and Disabilities	3,115,000		
30	Services Administration			
31	General Relief/Temporary	740,300		
32	Assisted Living			
33	Commission on Aging	130,400		

		Appropriation	General	Other
		Allocations	Items	Funds
1				
2				
3	Governor's Council on	364,400		
4	Disabilities and Special			
5	Education			
6	Departmental Support Services		553,100	553,100
7	Commissioner's Office	203,100		
8	HSS State Facilities Rent	350,000		
9	Medicaid Services		85,280,800	82,155,800
10				3,125,000
11	It is the intent of the legislature that long-term care facilities be exempt from Medicaid provider rate reductions.			
12	No money appropriated in this appropriation may be expended for an abortion that is not a			
13	mandatory service required under AS 47.07.030(a). The money appropriated for Health and			
14	Social Services may be expended only for mandatory services required under Title XIX of the			
15	Social Security Act and for optional services offered by the state under the state plan for			
16	medical assistance that has been approved by the United States Department of Health and			
17	Human Services.			
18	Medicaid Services	85,280,800		
19	It is the intent of the legislature that the department work with the statewide professional			
20	hospital association to develop strategies and methodologies for implementation of hospital			
21	diagnosis related groups, acuity-based skilled nursing facility rates, rate reductions, and			
22	timely filing provisions to mitigate unintended consequences.			
23	The department shall submit quarterly progress reports on cost containment efforts to the co-			
24	chairs of the House and Senate Finance Committees and the Legislative Finance Division.			
25		* * * * *	* * * * *	
26	* * * * * Department of Labor and Workforce Development * * * * *			
27		* * * * *	* * * * *	
28	Commissioner and Administrative		75,000	75,000
29	Services			
30	Labor Market Information	75,000		
31		* * * * *	* * * * *	
32		* * * * * Department of Law * * * * *		
33		* * * * *	* * * * *	

	Appropriation	General	Other
	Allocations	Funds	Funds
It is the intent of the legislature that the Department of Law minimize the use of outside counsel.			
Civil Division	100,100	100,100	
Human Services	100,100		
	* * * * *	* * * * *	
	* * * * * Department of Natural Resources * * * * *		
	* * * * *	* * * * *	
Administration & Support Services	4,504,500		4,504,500
Mental Health Trust Lands	4,504,500		
Administration			
	* * * * *	* * * * *	
	* * * * * Department of Public Safety * * * * *		
	* * * * *	* * * * *	
It is the intent of the legislature that the Department of Public Safety increase its efforts to combat internet child pornography in the state. Emphasis should be made to fill any vacant positions which will enhance the detection and arrest of those trafficking in child pornography. A report should be sent to the legislature by January 15, 2021 detailing the progress made in protecting Alaska from purveyors of child pornography.			
Council on Domestic Violence and Sexual Assault	2,000,000	2,000,000	
Council on Domestic Violence and Sexual Assault	2,000,000		
	* * * * *	* * * * *	
	* * * * * Department of Revenue * * * * *		
	* * * * *	* * * * *	
Alaska Mental Health Trust Authority	5,065,000	969,700	4,095,300
Mental Health Trust Operations	4,595,300		
Long Term Care Ombudsman Office	469,700		
	* * * * *	* * * * *	

		Appropriation	General	Other
		Allocations	Funds	Funds
		***** University of Alaska *****		

	University of Alaska	2,487,300	805,800	1,681,500
	Anchorage Campus	2,437,300		
	Fairbanks Campus	50,000		

		***** Judiciary *****		

	Alaska Court System	227,000	227,000	
	Trial Courts	227,000		
	Therapeutic Courts	3,220,600	3,001,200	219,400
	Therapeutic Courts	3,220,600		
	(SECTION 2 OF THIS ACT BEGINS ON THE NEXT PAGE)			

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

Funding Source	Amount
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Department of Administration

1037	General Fund / Mental Health	2,159,300
1092	Mental Health Trust Authority Authorized Receipts	287,600
***	Total Agency Funding ***	2,446,900

Department of Corrections

1037	General Fund / Mental Health	8,091,000
1092	Mental Health Trust Authority Authorized Receipts	398,500
1246	Recidivism Reduction Fund	2,000,000
***	Total Agency Funding ***	10,489,500

Department of Education and Early Development

1037	General Fund / Mental Health	377,800
1092	Mental Health Trust Authority Authorized Receipts	50,000
***	Total Agency Funding ***	427,800

Department of Health and Social Services

1037	General Fund / Mental Health	146,088,700
1092	Mental Health Trust Authority Authorized Receipts	5,831,700
1180	Alcohol and Other Drug Abuse Treatment & Prevention Fund	20,624,500
1246	Recidivism Reduction Fund	7,400,000
1254	Marijuana Education and Treatment Fund	8,603,600
***	Total Agency Funding ***	188,548,500

Department of Labor and Workforce Development

1092	Mental Health Trust Authority Authorized Receipts	75,000
***	Total Agency Funding ***	75,000

Department of Law

1037	General Fund / Mental Health	100,100
***	Total Agency Funding ***	100,100

Department of Natural Resources

1092	Mental Health Trust Authority Authorized Receipts	4,504,500
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1	*** Total Agency Funding ***	4,504,500
2	Department of Public Safety	
3	1246 Recidivism Reduction Fund	2,000,000
4	*** Total Agency Funding ***	2,000,000
5	Department of Revenue	
6	1037 General Fund / Mental Health	469,700
7	1094 Mental Health Trust Administration	4,095,300
8	1180 Alcohol and Other Drug Abuse Treatment & Prevention Fund	500,000
9	*** Total Agency Funding ***	5,065,000
10	University of Alaska	
11	1037 General Fund / Mental Health	805,800
12	1092 Mental Health Trust Authority Authorized Receipts	1,681,500
13	*** Total Agency Funding ***	2,487,300
14	Judiciary	
15	1037 General Fund / Mental Health	2,710,200
16	1092 Mental Health Trust Authority Authorized Receipts	219,400
17	1180 Alcohol and Other Drug Abuse Treatment & Prevention Fund	518,000
18	*** Total Agency Funding ***	3,447,600
19	* * * * * Total Budget * * * * *	219,592,200
20	(SECTION 3 OF THIS ACT BEGINS ON THE NEXT PAGE)	

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

Funding Source	Amount
Unrestricted General	
1037 General Fund / Mental Health	160,802,600
*** Total Unrestricted General ***	160,802,600
Designated General	
1180 Alcohol and Other Drug Abuse Treatment & Prevention Fund	21,642,500
1246 Recidivism Reduction Fund	11,400,000
1254 Marijuana Education and Treatment Fund	8,603,600
*** Total Designated General ***	41,646,100
Other Non-Duplicated	
1092 Mental Health Trust Authority Authorized Receipts	13,048,200
1094 Mental Health Trust Administration	4,095,300
*** Total Other Non-Duplicated ***	17,143,500

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

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

	Appropriation	General	Other
Allocations	Items	Funds	Funds
* * * * *	* * * * *		
* * * * * Department of Health and Social Services * * * * *			
* * * * *	* * * * *		
MH: Assistive Technology (HD 1-40)	500,000	500,000	
MH: Deferred Maintenance and Accessibility Improvements (HD 1-40)	500,000	250,000	250,000
MH: Home Modification and Upgrades to Retain Housing (HD 1-40)	1,050,000	750,000	300,000
* * * * *	* * * * *		
* * * * * Department of Revenue * * * * *			
* * * * *	* * * * *		
Alaska Housing Finance Corporation			
MH: AHFC Beneficiary and Special Needs Housing (HD 1-40)	3,700,000	3,500,000	200,000
MH: AHFC Homeless Assistance Program (HD 1-40)	8,150,000	7,200,000	950,000
MH: Housing - Grant 604 Department of Corrections Discharge Incentive Grants (HD 1-40)	100,000		100,000
* * * * *	* * * * *		
* * * * * Department of Transportation and Public Facilities * * * * *			
* * * * *	* * * * *		
MH: Coordinated Transportation and Vehicles (HD 1-40)	1,300,000	1,000,000	300,000

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

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

Funding Source	Amount
Department of Health and Social Services	
1037 General Fund / Mental Health	1,500,000
1092 Mental Health Trust Authority Authorized Receipts	550,000
*** Total Agency Funding ***	2,050,000
Department of Revenue	
1037 General Fund / Mental Health	305,000
1092 Mental Health Trust Authority Authorized Receipts	1,250,000
1139 Alaska Housing Finance Corporation Dividend	10,395,000
*** Total Agency Funding ***	11,950,000
Department of Transportation and Public Facilities	
1037 General Fund / Mental Health	1,000,000
1092 Mental Health Trust Authority Authorized Receipts	300,000
*** Total Agency Funding ***	1,300,000
* * * * * Total Budget * * * * *	15,300,000

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

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

3 Funding Source	Amount
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4 **Unrestricted General**

5 1037 General Fund / Mental Health	2,805,000
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6 1139 Alaska Housing Finance Corporation Dividend	10,395,000
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7 *** Total Unrestricted General ***	13,200,000
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8 **Other Non-Duplicated**

9 1092 Mental Health Trust Authority Authorized Receipts	2,100,000
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10 *** Total Other Non-Duplicated ***	2,100,000
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11 (SECTION 7 OF THIS ACT BEGINS ON THE NEXT PAGE)

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

3 * **Sec. 8. LEGISLATIVE INTENT.** It is the intent of the legislature that, within 120 days
4 after enactment of this Act, the Alaska Mental Health Trust Authority be in full compliance
5 with the Weiss settlement and the Alaska Statutes with respect to investment in commercial
6 real estate properties as described in the Schedule of Findings and Questioned Costs, Year
7 Ended June 30, 2018, by the legislative auditor. It is the intent of the legislature that, not later
8 than November 15, 2019, the Alaska Mental Health Trust Authority submit a written report of
9 compliance to the legislative auditor, the chair of the Legislative Budget and Audit
10 Committee, and the co-chairs of the finance committees of the legislature.

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

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

18 * **Sec. 10. SALARY AND BENEFIT ADJUSTMENTS.** (a) The appropriations made in sec.
19 1 of this Act include amounts for salary and benefit adjustments for public officials, officers,
20 and employees of the executive branch, Alaska Court System employees, employees of the
21 legislature, and legislators and to implement the terms for the fiscal year ending June 30,
22 2020, of the following collective bargaining agreements:

- 23 (1) Alaska State Employees Association, for the general government unit;
- 24 (2) Teachers' Education Association of Mt. Edgecumbe, representing the
25 teachers of Mt. Edgecumbe High School;
- 26 (3) Confidential Employees Association, representing the confidential unit;
- 27 (4) Public Safety Employees Association, representing the regularly
28 commissioned public safety officers unit;
- 29 (5) Public Employees Local 71, for the labor, trades, and crafts unit;
- 30 (6) Alaska Public Employees Association, for the supervisory unit;
- 31 (7) Alaska Correctional Officers Association, representing the correctional

1 officers unit.

2 (b) The appropriations made to the University of Alaska in sec. 1 of this Act include
3 amounts for salary and benefit adjustments for the fiscal year ending June 30, 2020, for
4 university employees who are not members of a collective bargaining unit and to implement
5 the terms for the fiscal year ending June 30, 2020, of the following collective bargaining
6 agreements:

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

8 (2) United Academic - Adjuncts - American Association of University
9 Professors, American Federation of Teachers;

10 (3) United Academics - American Association of University Professors,
11 American Federation of Teachers.

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

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

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

27 * **Sec. 11.** This Act takes effect July 1, 2019.