



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Office of the Governor

OFFICE OF MANAGEMENT AND BUDGET
Lacey Sanders, Director

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December 12, 2024

Mr. Brent Fisher, Chair
Members of the Board of Trustees
Mrs. Allison Biastock, Acting Chief Executive Officer
Alaska Mental Health Trust Authority
3745 Community Park Loop, Suite 200
Anchorage, AK 99508

Dear Mr. Fisher, Members of the Board of Trustees, and Mrs. Biastock,

Thank you for your continued efforts and dedication to the goals of the Mental Health Trust (Trust) and the work you do on behalf of the Trust's beneficiaries. Your efforts are of great value to beneficiaries of the Trust and the state as a whole.

The Mental Health Budget, as submitted to the administration and subsequently transmitted to the legislature, contains changes to Trust recommendations related to items funded through general fund mental health (GFMH). The following items were modified in the FY2026 Governor's proposed operating budget on December 12, 2024:

Department	Project	Fund Source	Change
Health	Maintain Aging and Disability Resource Centers	GFMH	-\$250.0
Health	Develop Targeted Outcome Data	GFMH	-\$45.0
University of Alaska	The Alaska Training Cooperative	GFMH	-\$100.0

The following items were modified in the FY2026 Governor’s proposed capital budget on December 12, 2024:

Department	Project	Fund Source	Change
Health	Home Modifications and Upgrades to Retain Housing	GFMH	-\$575.0
Revenue	AHFC Beneficiary and Special Needs Housing	GFMH	-\$1,750.0
Revenue	AHFC Homeless Assistance Program	GFMH	-\$2,850.0
Revenue	AHFC Homeless Assistance Program	AHFC Dividend Funds	\$2,850.0
Transportation	Coordinated Transportation and Vehicles	GFMH	-\$300.0

The FY2026 Governor’s Mental Health Budget replaces the Trust’s \$2,850.0 GFMH recommendation for the AHFC Homeless Assistance Program with AHFC Dividend Funds. This project is funded in the budget at the proposed level.

The total proposed FY2026 Mental Health Budget is \$231.3 million in operating expenditures and \$14.3 million in capital expenditures. We look forward to working with you and the legislature to secure passage of this budget.

Sincerely,

Lacey Sanders
Director, Office of Management and Budget

cc: Tyson Gallagher, Chief of Staff, Office of the Governor
Jordan Shilling, Legislative Director, Office of the Governor

Enclosures:

- Attachment 1 FY2026 Mental Health Budget Summary
- Attachment 2 FY2026 Mental Health Operating Budget Comparison
- Attachment 3 FY2026 Adjustments on Non-Trust Recommendations
- Attachment 4 FY2026 Mental Health Capital Budget Comparison