



December 11, 2025

Mr. Brent Fisher, Chair
Members of the Board of Trustees
Mrs. Mary Wilson, 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. Wilson,

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 its beneficiaries. The services and programs facilitated by the Trust improve the health and well-being of Alaskans across this great State.

The Mental Health Budget, as submitted to the Administration and subsequently transmitted to the Legislature, contains changes to Trust recommendations related to operating and capital budgets funded through general funds mental health (GFMH).

The following operating budget item was modified in the FY2027 Governor’s proposed Mental Health Budget:

Department	Project	Fund Source	Change (\$ thousands)
Health	MH Trust: Crisis Call Center (FY26-FY28)	GFMH	(\$500.0)

The following capital projects were modified in the FY2027 Governor’s proposed Mental Health Budget:

Department	Project	Fund Source	Change (\$ thousands)
Revenue	MH Trust: AHFC Beneficiary and Special Needs Housing	GFMH	(\$1,750.0)
Revenue	MH Trust: AHFC Beneficiary and Special Needs Housing	AHFC Dividend Funds	\$1,750.0
Revenue	MH Trust: AHFC Homeless Assistance Program	GFMH	(\$2,850.0)
Revenue	MH Trust: AHFC Homeless Assistance Program	AHFC Dividend Funds	\$4,050.0

The FY2027 Governor's Mental Health Budget replaces the Trust's \$1,750.0 GFMH recommendation for the AHFC Beneficiary and Special Needs Housing project with AHFC Dividend Funds. Additionally, the Trust's \$2,850.0 GFMH recommendation for the AHFC Homeless Assistance Program is replaced with \$4,050.0 in AHFC Dividend Funds.

The total proposed FY2027 Mental Health Budget is \$234.7 million in operating expenditures and \$9.9 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
Alexei Painter, Director, Legislative Finance Division

Enclosures:

Attachment 1 FY2027 Mental Health Budget Summary
Attachment 2 FY2027 Mental Health Operating Budget Comparison
Attachment 3 FY2027 Adjustments on Non-Trust Recommendations
Attachment 4 FY2027 Mental Health Capital Budget Comparison