



Governor Mike Dunleavy
STATE OF ALASKA

August 24, 2021

Mr. Chris Cooke, Chairman
Alaska Mental Health Trust Board
3745 Community Park Loop, Suite 120
Anchorage, AK 99501

Via Email: chris.cooke@alaska.gov

Dear Mr. Cooke:

Please share this letter with all Alaska Mental Health Trust (AMHT) Board members, and consider the following issues and opportunities during your FY 23 budget deliberations.

State General Funds – FY 2023

For several years between FY 2018 and FY 2020, the Board approved budget recommendations of roughly \$5 million in State General Funds and \$8 million in “other funds” (AHFC). See the September 6, 2017 and August 29, 2019 Board Minutes (Attachment A).

The Board adopted dramatically higher recommendations in state general funds for FY 2021 and FY 2022. “Included in this motion [for FY 2022] is a recommendation ... for a State of Alaska appropriation of \$12,397,500 of General Fund ...”; “Included in this motion [for FY 2023] is a recommendation ... for a State of Alaska appropriation of \$17,036,500 of General Fund ...”. See the August 27, 2020 Board Minutes (Attachment B).

The Board recommendations of a 150 percent increase in State General Funds for FY 2022 and a 37 percent increase in State General Funds for FY 2023 appear to indicate future escalating requests for General Fund appropriations by our Trust that may not be sustainable.

Please consider amended FY 2023 budget recommendations, with a limited increase of eight percent above the FY 2021 State General Fund recommendation adopted by the Board. (see Attachment A for the August 29, 2019 minutes). I am willing to work with you on specific uses of such an increase.

I understand the AMHT has significant other financial resources and may recommend increased funding levels from those sources in its FY 2023 amended budget.

Opioid Settlement Funds

The State of Alaska is in final negotiations with several parties it sued for their actions related to opioids. The State expects to receive significant amounts for the fight against opioid issues. I support

the Board approving a FY 2023 budget recommendation allowing it to use or direct use of these funds by state agencies to develop a prevention effort and an "Opioid State Response Network".

I urge the Board to match the amount of the state settlements with its own funds to no more than \$5 million dollars. The Board should also direct staff to seek matching contributions from the private sector and other entities. Additional details on this project are available from Commissioner Crum, at the Department of Health and Social Services.

Specific Projects

I also urge the Board to include budget recommendations for the following special projects:

1. A study of the needs, designs, best possible locations (both rural and urban), and funding options for constructing and operating facilities that could house elderly Alaska Natives with significant mental health issues. State lands that could be transferred to locate such facilities would also be identified and legal descriptions obtained. (\$500,000 in State General Funds)
2. A review of AMHT lands and resources (minerals, timber, gravel, etc.) and identification of adjacent state lands that could be transferred to the Trust and significantly increase the value and reduce the cost of developing those lands and resources. The review would include property and legal descriptions of the ten state parcels of adjacent land that would have the largest and quickest positive impact in value for the Trust. This should be accomplished with existing TLO staff in the next 90 days and provided to my office.
3. Implementing Alaska's 988 Suicide Prevention and Mental Health Crisis Hotline. Alaska is already developing an implementation plan. Please join me in a budget recommendation to the legislature of \$1,500,000 in State funding (either General Funds or State discretionary American Rescue Plan Act federal funds) to match \$1,500,000 in AMHT funds as a multi-year appropriation. This will allow us to continue the planning and implementation of full 988 services in Alaska.

I look forward to working with the Board to further refine and develop its FY 2023 budget recommendations.

Sincerely,



Mike Dunleavy
Governor

cc: The Honorable Adam Crum, Commissioner, Department of Health and Social Services
Randy Ruaro, Chief of Staff, Office of the Governor