

Alaska Statutes Related to Creation of the Mental Health Trust Authority

AS 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 and to administer the office of the long term care ombudsman established in AS [47.62.010](#) .
- (c) The authority
- (1) shall, as provided in AS [37.14.009](#) , 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 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;
 - (5) shall exercise the powers granted to it under AS [37.14.041](#) , subject to the limitations imposed by AS [37.14.045](#) ; and
 - (6) shall administer the office of the long term care ombudsman established in AS [47.62.010](#) .
- (d) The provisions of AS [44.62.330](#) - [44.62.630](#) do not apply to the Alaska Mental Health Trust Authority.

AS 47.62.010. Office Established.

- (a) The office of the long term care ombudsman is established in the Alaska Mental Health Trust Authority (AS [47.30.011](#)).
- (b) The ombudsman shall be hired by the authority. A member of the authority who has a financial interest in a long term care facility in the state, or who has any other conflict of interest, may not participate in the hiring of the ombudsman. The ombudsman is a full-time position in

the classified service. The ombudsman shall be compensated at no less than Range 21 of the pay plan for state employees under AS [39.27.011](#) .

(c) The ombudsman may not have a financial interest in a long term care facility in the state. The authority shall adopt regulations to ensure that the ombudsman, and employees and volunteers of the office, do not have a conflict of interest or an appearance of a conflict of interest.

AS 37.14.009. Trust Management.

(a) The Alaska Mental Health Trust Authority

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

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

(A) manage in conformity with AS [38.05.801](#) ;

(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 settlement 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) shall contract with Alaska Permanent Fund Corporation for management of the mental health trust fund.

(b) [Repealed, Sec. 39 ch 5 FSSLA 1994].

AS 37.14.041. Use of Trust Settlement Income Account.

(a) Money in the mental health trust settlement income account may only be used for the following purposes:

- (1) the awarding of grants and contracts in fulfillment of the authority's purpose to ensure an integrated comprehensive mental health program for the state;
- (2) obtaining private and federal grants for a purpose described in (1) of this subsection;
- (3) soliciting gifts, bequests, and contributions for a purpose described in (1) of this subsection;
- (4) reimbursement to
 - (A) the Alaska Permanent Fund Corporation for the costs of managing the principal of the mental health trust fund; and
 - (B) the Department of Natural Resources for the cost of managing mental health trust land;
- (5) offsetting the effect of inflation on the value of the principal of the mental trust fund; and
- (6) subject to AS [37.07](#) (Executive Budget Act), meeting the necessary administrative expenses of the authority that are required for it to properly discharge its responsibilities.

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

AS 37.14.045. Limitation On Grants and Contracts Paid For From Mental Health Trust Settlement Income Account.

(a) The authority may award grants and contracts that are paid for from money in the mental health trust settlement income account only in furtherance of its purpose to ensure an integrated comprehensive mental health program.

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

(c) The authority may not award a grant or contract that is to be paid for from money in the mental health trust settlement income account unless the authority makes written findings explaining that

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

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

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

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

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

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

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

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

AS 47.30.016. Membership of the Board.

(a) The authority shall be governed by its board of trustees.

(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

(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 established by AS [47.30.661](#);

(B) one person selected by the Governor's Council on Disabilities and Special Education;

(C) one person selected by the Advisory Board on Alcoholism and Drug Abuse established by AS [44.29.100](#) ;

(D) one person selected by the Alaska Commission on Aging established by AS [47.45.200](#) ;

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

(F) one person selected by the authority.

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

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

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

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

(e) A member of the board is entitled to

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

(2) per diem and travel expenses authorized for boards and commissions under AS [39.20.180](#) .

AS 47.30.036. Duties of the Board.

The board shall

(1) preserve and protect the trust corpus under AS [37.14.009](#) ;

(2) coordinate with other state agencies involved with programs affecting persons in need of mental health services;

(3) review and consider the recommendations submitted under AS [44.29.140](#)(2), AS [47.30.666](#) (6), AS [47.45.240](#) (a)(10), and AS [47.80.090](#)(13);

(4) adopt bylaws governing its meetings, selection of officers, proceedings, and other aspects of board procedure;

(5) make an annual written report of its activities to the governor and the public and notify the legislature that the report is available; and

(6) fulfill its obligations under AS [47.30.046](#) .