



ASSOCIATED GENERAL CONTRACTORS of ALASKA

8005 SCHOON STREET, SUITE 100 • ANCHORAGE, ALASKA 99518
TELEPHONE (907) 561-5354 • FAX (907) 562-6118

February 18, 2015

Senator Mia Costello
Chair, Senate Labor & Commerce
State Capitol, Room 510
Juneau AK, 99801

Re: Senate Bill 5

Dear Senator Costello, *Mia*

The Associated General Contractors of Alaska (AGC) is a trade association representing over 640 Alaskan businesses in the construction industry. Within our membership is a majority of Alaska's construction industry. On behalf of the AGC and those businesses, I offer the following comments in support of Senate Bill 5.

In response to some low profile but very expensive copper wire thefts at a couple of remote gravel crushing operations in 2013, we learned that Alaska was the only state with no requirements dealing with the sale of certain scrap metals, including copper wire (usually stolen). Working with scrap metal dealers we were able to address the immediate issue last year with CSHB 305. The bill instituted recordkeeping requirements of those scrap metal businesses. While not stopping such theft, experience of other states after putting similar requirement in place did significantly reduce theft.

In last year's legislation, we weren't able to address the compensation or restitution for the loss from the crime. The copper wire thefts previously mentioned each resulted in less than one-thousand dollars of copper scrap value. The cost to repair was a few tens of thousands dollars and the loss of income from the theft was never calculated, but would easily have been many times more. The criminal has more rights than the victim.

Fair restitution is not an unjust enrichment of the victim, and should not be a break for the person who committed the crime at the expense of the victim. Fair restitution needs to include the cost of restoration to a pre-offense condition and the loss of income as a result of the theft. Please support this legislation.

Sincerely,

John MacKinnon, Executive Director
Associated General Contractors of Alaska