



The Voice of Small Business®

ALASKA

March 18, 2016

The Honorable Anna MacKinnon  
Co-Chair, Senate Finance Committee  
State Capitol Building  
Juneau, Alaska 99801-1182

RE: Senate Bill 91

Dear Senator MacKinnon:

On behalf of the National Federation of Independent Business/Alaska, I wish to respectfully inform you of our opposition to the felony threshold in Senate Bill 91. In an NFIB/Alaska member ballot our membership voted overwhelmingly to oppose **any** increase in the felony theft threshold. The National Federation of Independent Business is the largest small-business advocacy group in Alaska.

NFIB/AK members recognize that \$750 is a significant amount to a small business. The proposed increase to \$2,000 is unreasonably generous to criminals intent on taking other people's property. In 2013, the NFIB/Alaska Leadership Council worked with Senator Coghill and agreed to remove our opposition to an increase from \$500 to \$750. We still strongly believe the state should not be making it less consequential for thieves to steal from our businesses by raising the felony theft threshold above that level.

A recent Pew Charitable Trust study shows an increase in the crime rate in our neighboring state, Washington, after increasing their felony level to \$750. South Dakota, Nevada and New Mexico experienced similar increase in crime after increasing their felony threshold levels.

Our members believe that theft rings are becoming very sophisticated; they are aware of the felony limits and will steal up to that amount. Thus, while there might be potential savings in judicial processes, Alaska businesses would see an increase in the amount of theft in goods. Instances of individuals "stealing to feed their families" are rare, and the courts and prosecutors have enough discretion to handle these circumstances appropriately.

I have attached testimony on this issue from the February 25, 2013 Senator Judiciary Committee. It includes testimony by Chris Nettels, a representative of NFIB as well as Detective Ross Plummer. You will see Mr. Nettels concern, having been a victim of theft – a victim we ought not forget in this legislation. The acknowledgement by Detective Plummer relative to treatment of misdemeanor

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crimes is particularly significant. He confirmed that businesses have reason to be concerned that misdemeanor thefts receive less police attention.

NFIB/AK appreciates the need to reform many parts of the criminal justice system. We also understand the need to reduce state expenditures. We believe that there are several proposals within SB 91 that will accomplish those goals and encourage their consideration. Among the proposals in SB 91, only the felony threshold has been addresses in the past two years. We believe it is time for other areas to be reformed prior to revisiting the felony threshold.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Dennis L. DeWitt". The signature is stylized with a large, looped 'D' and a cursive 'L'.

Dennis L. DeWitt  
Alaska State Director

Cc: NFIB/AK Leadership Council

**ALASKA STATE LEGISLATURE**  
**SENATE JUDICIARY STANDING COMMITTEE**  
February 25, 2013  
1:34 p.m.

1:51:41 PM

**CHRIS NETTELS**, President, GeoTek Alaska, Inc., Anchorage, AK, said he was also testifying on behalf of the National Federation of Independent Businesses to ask the committee not to pass SB 43, which would increase the \$500 felony threshold for theft and property offenses. He reported numerous incidents of stealing at his business property, four of which were thefts valued at \$500 or more. In the past two or three years he has seen a significant increase in the numbers of petty thefts valued at \$200 to \$300, but in the last year there have been several thefts valued between \$1,000 and \$3,500.

**MR. NETTELS** expressed concern that increasing the felony threshold will have the unintended consequence of increasing the numbers of some crimes. He said he understands the argument for increasing the felony threshold because of inflation, but wonders if all laws will be similarly inflation proofed. He also asked if the penalties would drop if deflation occurs. He concluded that the \$500 felony threshold has served well and he did not support passage of SB 43.

1:56:49 PM

**CHAIR COGHILL** asked if he'd had trouble making a case to the police or courts in felony theft cases.

**MR. NETTELS** said no, although he had never received a follow up call or had any property returned in any of the five reports he filed with the police.

**CHAIR COGHILL** asked Detective Plummer if the police were more likely to respond to a felony theft report as opposed to a misdemeanor theft report.

1:58:34 PM

**DETECTIVE ROSS PLUMMER**, Anchorage Police Department (APD)\* Municipality of Anchorage\* Anchorage, AK, said yes. { He explained that APD detectives work felony cases and patrol officers are responsible for follow up on misdemeanor cases, but call volumes leave little time for follow up. If a misdemeanant suspect isn't caught right away or if there isn't a tip that locates the suspect, the chance of closing the case is very small.

**CHAIR COGHILL** asked if a felony theft would receive more detective-level involvement.

**DETECTIVE PLUMMER** said yes; felony thefts receive two screenings, one by patrol and the second by detectives, whereas misdemeanor thefts receive just one screening by patrol.

**CHAIR COGHILL** asked if businesses had a valid fear that raising the felony threshold would cause misdemeanor thefts to receive less police attention.

**DETECTIVE PLUMMER** acknowledged that there was that chance.