

HOUSE FINANCE COMMITTEE
April 08, 2002
1:52 PM

TAPE HFC 02 - 76, Side A
TAPE HFC 02 - 76, Side B

CALL TO ORDER

Co-Chair Williams called the House Finance Committee meeting to order at 1:52 PM.

MEMBERS PRESENT

Representative Bill Williams, Co-Chair
Representative Con Bunde, Vice-Chair
Representative John Davies
Representative Richard Foster
Representative John Harris
Representative Bill Hudson
Representative Carl Moses
Representative Jim Whitaker

MEMBERS ABSENT

Representative Eldon Mulder, Co-Chair
Representative Eric Croft
Representative Ken Lancaster

ALSO PRESENT

Randy Ruaro, Staff, Representative Williams; Greg Roth, Alaska Juvenile Corrections Officers Association, Juneau; Guy Bell, Director, Division of Retirement and Benefits, Department of Administration; George Buhite, Division of Juvenile Justice, Department of Health and Social Services; Robert Buttane, Division of Juvenile Justice, Department of Health and Social Services; Kristi Helgen, Division of Juvenile Justice, Department of Health and Social Services; Jason Wilson, Division of Juvenile Justice, Department of Health and Social Services; Katie Sullivan, Division of Juvenile Justice, Department of Health and Social Services; Sharron O'Dell, Staff, Representative Kohring; Mary Siroky, Legislative Liaisons, Department of Environmental Conservation; Catherine Reardon, Director, Division of Occupational Licensing, Department of Community and Economic Development.

PRESENT VIA TELECONFERENCE

Danielle Mercer, Youth Counselor, Ketchikan; Grant Klotz, Youth Counselor, Anchorage; A. David Woodward, Juvenile Probation Officer, Petersburg; Jeff Martin, Matsu; Andy Koplezenski, Matsu.

SUMMARY

HB 248 "An Act relating to retirement contributions and benefits under the public employees' retirement system of certain juvenile detention employees and juvenile correctional institution employees."

HB 248 was heard and HELD in Committee for further consideration.

HB 443 "An Act retroactively extending the application and licensing deadlines and amending the effective date of certain provisions relating to regulation of persons who practice tattooing and permanent cosmetic coloring or body piercing; and providing for an effective date."

CSHB 443 (L&C) was REPORTED out of Committee with a "do pass" recommendation and with previously published fiscal note: #1 (DEC).

#hb248

HOUSE BILL NO. 248

"An Act relating to retirement contributions and benefits under the public employees' retirement system of certain juvenile detention employees and juvenile correctional institution employees."

RANDY RUARO, STAFF, REPRESENTATIVE WILLIAMS, testified in support of the legislation. House Bill 248 would bring residential youth counselors into the 20-year state retirement system. Alaska law presently provides a 30-year state retirement system for most employees. A 20-year retirement system is in place for peace officers and fire fighters. The definition of "peace officer" now includes: adult corrections officers, adult probation officers, and juvenile probation officers. "Residential youth counselors" are not presently included.

Mr. Ruaro explained that residential youth counselors work with minors in a correctional institution. They perform job duties ranging from acting as a correctional guard to guidance and educational counseling for incarcerated minors. The goal of the residential youth counselor is to keep the public safe and rehabilitate the minors.

Mr. Ruaro summarized that residential youth counselors is the only group of the four that work with adults or juvenile criminal offenders in either an institutional or probation setting that are presently not getting a 20 year retirement. Adult corrections, adult probation, and juvenile probation employees are on 20-year retirements. Residential youth counselors have been left out and HB 248 seeks to remedy

this inequity by adding them to the state's 20-year retirement system.

In response to a question by Vice-Chair Bunde, Mr. Ruaro noted that 248 persons would be affected.

GUY BELL, DIRECTOR, DIVISION OF RETIREMENT AND BENEFITS, DEPARTMENT OF ADMINISTRATION, spoke to the fiscal note. He observed that the legislation would allow juvenile officers to convert from 30 and out to 20 and out retirement systems. Those currently employed, as juvenile correctional officers, would be allowed to claim the time that they served as 20 and out service. The bill allows an enhanced benefit and would have a fiscal impact. In claiming the service, the employee is required to make up the difference between a general employee and a peace officer: 6.75 percent and 7.5 percent. Employees would only cover a portion of the full cost. The full cost is significantly greater. Actuarial consults based on all 248 employees estimated that there would be a net present cost of \$7.2 million dollars, which would be amortized at an annual cost of \$896 thousand dollars. This is .14 percent of the state's payroll. The rate would be charged on total salaries and spread across all state employees. The money is not appropriated from the legislature to the Department of Administration; the cost would be appropriated from the line item of each agency.

Representative Hudson questioned if any of the affected employees are in the municipal system. Mr. Bell noted that a juvenile officer is defined as a youth counselor, unit leader or superintendent in a juvenile detention or juvenile correctional facility. He did not know if there were municipal employees in that category. He explained that the cost estimate was based solely on state employees.

Vice-Chair Bunde noted that Alaska has a two-tiered retirement system. Mr. Bell clarified that there is a three-tier employee system. He reiterated that the total cost is \$7.2 million dollars. The annual cost is \$896 thousand dollars. Vice-Chair Bunde questioned what the cost would be if the legislation only applied to newly hired employees. Mr. Bell acknowledged that the cost would be less if the legislation only applied to current employees but observed that there would be a tier of new employees with a higher level of benefits.

In response to a question by Vice-Chair Bunde, Mr. Bell explained that the cost is shared between the state and the employee. General employees pay 6.75 percent and peace officers pay 7.5 percent. The cost is closer to 17 percent. The employer covers the difference. The state currently pays 6.75 to 7 percent for general employees, due to surpluses that have been built in as part of the investment returns. The employer rate fluctuates and has been as high as 14

percent. The employee rate is fixed. He did not think that the state's portion would be significantly lower.

GREG ROTH, ALASKA JUVENILE CORRECTIONS OFFICERS ASSOCIATION, JUNEAU testified in support of the legislation. He noted that he represents 240 youth counselors, unit leaders and superintendents that staff Alaska's juvenile correctional facilities throughout the state. He observed that 12 years ago the Alaska Juvenile Correctional Officers Association was formed for the express purpose of promoting legislation that would bring parity to the youth counselor job class with similar job classes. There have been five bills introduced over the ensuing years to address the parity issue. In 1991, SB 32 passed both the House and Senate by a wide majority. He observed that the Governors office vetoed SB 32 at the end of that session.

Mr. Roth emphasized that youth counselors provide the 24-hour locked correctional care and custody related to the incarceration of people against their will and every conceivable duty that entails. In the course of their duties, counselors have been hit, kicked, stabbed, threatened, spit on, taken hostage, splashed with body fluids. Staffs are the targets in escape attempts whether planned within or without the facility. Buildings where they work have been shot at and bombed. "We have had gangs form groups and posture right outside our buildings. We house offenders have committed murders, rape, assaults, arson, robbery, all forms of property crimes as well crimes against our citizens." Youth counselors safely house and provide services to all who enter regardless of how heinous their offense. Each day, 24 hours a day, youth counselors respond to the needs of these juvenile offenders while keeping the public safe, which is at times a dangerous and daunting task.

Mr. Roth explained that each offender is held accountable for his or her conduct. Counselors provide swift and consistent consequences for crimes committed by juveniles. They facilitate and teach researched based, skill building programs designed to prevent repeated criminal behavior. They also work with offenders to restore the community and victims from past juvenile crime and to protect the public and protect citizens from future juvenile crime

Mr. Roth noted that:

Each day in the performance of our duties youth counselors are involved in a "chain of custody." Minors are brought to the youth facilities, handcuffed and in the back of a police cars. They have been arrested for a crime and brought to us by the armed officers. Often times they arrive agitated, angry, assaultive, violent or intoxicated. In the admissions office transfer of

custody is given from that armed officer to a youth counselor. The police are given weapons, shields, body armor, chemical deterrents, in order to deal with violent offenders and are covered under a 20-year retirement system. Youth counselors rely on their training, their personal presence and skills in forming relationships with residents to gain the cooperation necessary to conduct their duties.

Some minors are arrested by Juvenile Probation Officers in our own Division and brought to the locked facilities. These Juvenile Probation Officers are covered under a 20-year retirement system. Often times Youth Counselors are asked to assist in these arrests in public buildings.

Some of our offenders are charged with very serious and violent crimes, and may spend 30, 60,90 days in Juvenile facilities pending transfer to an adult facility. These same dangerous residents when transferred become adult inmates and are supervised by Correctional Officers covered with 20-year peace officer retirement until that happens Youth Counselors have provided safe custody and public protection for these offenders.

Mr. Roth noted that there is an exchange of the custody of minors between youth counselors and judicial services officers in the court buildings. Judicial services officers are covered under 20-year retirement. In addition to custody transfer issues, some of youth stay in the facilities until age twenty and by law are adults. Youth counselors handle these adult offenders every day in the performance of their duties.

Mr. Roth pointed out that as mandated by statute, youth counselors make independent arrests in the community in the pursuit of juveniles who have absconded from a facility, a court hearing or who have escaped from a necessary medical or service transport. Solid training and excellent skill development is needed in handling resistive clients. Peak mental and physical condition is necessary and critical to safely carry out these duties. He stressed that youth counselors are passionate about their jobs; they strive to positively impact youth and are willing to put their lives at risk daily in order to carry out their custody duties, rehabilitative duties and protection of the public.

In response to a question by Representative Hudson, Mr. Roth observed that youth counselors handle juveniles 13 to 18 years old. They are not armed or authorized to carry arms.

GEORGE BUHITE, DIVISION OF JUVENILE JUSTICE, DEPARTMENT OF HEALTH AND SOCIAL SERVICES testified in support of the

legislation. He noted that he started his job as a youth counselor. He emphasized the danger of the work. The work can be difficult, dangerous and physically demanding. He emphasized that these three characteristics have lead to the granting of 20-year retirement criteria in other occupations, such as in the military or law enforcement. The average age coming into the job is 35 years old, which makes it difficult to keep up with a struggling juvenile at their later years. He maintained that the option to leave the system after 20 years is desirable for both employer and employee. It is increasingly difficult to attract and maintain quality candidates. Alaska salaries have decreased compared to the private sector.

Vice-Chair Bunde questioned if there are currently unfilled positions. Mr. Buhite noted that the vacancy rate is 5 - 8 percent in larger facilities. Smaller facilities can have higher vacancies.

Vice-Chair Bunde acknowledged the difficulty of the work. He questioned if the Governor would sign the legislation. Mr. Buhite stated that he had indications that it would be signed.

ROBERT BUTTCANE, DIVISION OF JUVENILE JUSTICE, DEPARTMENT OF HEALTH AND SOCIAL SERVICES clarified that municipal employees would not be covered. There is no comparable job class in the municipal structure.

DANIELLE MERCER, YOUTH COUNSELOR, KETCHIKAN, testified via teleconference in support of the legislation. She is the unit leader at the new Ketchikan regional youth facility and worked at McLaughlin Youth Center for nine years. She stressed that there is emotional and mental strain associated with working with this population, in addition to the physical risks. Counselors see offenders for up to two years for court ordered treatment. Counselors often face the possibility of being the object of a verbal or physical attack. She noted that her home and family have been threatened. She has been kicked, scratched, punched and was stabbed with a long, sharpened pencil. She noted that she has seen people who have found it painful and frightening to return to work. The juvenile population is highly emotional, unpredictable and is possibly in the middle of the most violent period of their lives.

Ms. Mercer explained that as a unit leader, she has found herself spending a great deal of time discussing the inherent risks of the job. She felt that it would be easier to recruit and retain qualified staff members if they received the same retirement benefits package received by peace officers.

GRANT KLOTZ, YOUTH COUNSELOR, ANCHORAGE, testified via

teleconference in support of the legislation. He observed that residents are primarily 16 - 19 year old males. These are not little boys but often 175 - 250 pound, 6 foot tall men. He maintained that the immaturity of juvenile offenders results in impulsive behaviors. He observed that during his 21 and a half years at McLaughlin youth center, staff have been strangled, stabbed, bitten, punched, kicked, scratched, spit on, had feces thrown on them and almost daily are subjected to verbal harassment. Furthermore, on one occasion a drive by shooting occurred with one of the bullets striking a window on the detention unit at McLaughlin Youth Center.

Mr. Grant observed that his brother, Bob Klotz, worked as a youth counselor for many years and is now medically retired due to a resident assault that took place while working on the Closed Treatment Unit at McLaughlin Youth Center. Due to this injury he is limited to lifting 20 pounds or less. He has chronic pain in his back and is unable to do many things that he was once able to do.

Mr. Grant maintained that youth counselors do the same job as the adult corrections staff and are subjected to the same stress and deserve their same benefits.

A. DAVID WOODWARD, JUVENILE PROBATION OFFICER, PETERSBURG, testified via teleconference in support of the legislation. He noted that one of his co-workers was assaulted and became unable to work.

HB 248 was heard and HELD in Committee for further consideration.

#hb443

HOUSE BILL NO. 443

"An Act retroactively extending the application and licensing deadlines and amending the effective date of certain provisions relating to regulation of persons who practice tattooing and permanent cosmetic coloring or body piercing; and providing for an effective date."

REPRESENTATIVE VIC KOHRING, SPONSOR, testified in support of the legislation. He observed that he had been contacted by businesses that had trouble meeting application deadlines and would likely go out of business without statutory modification. In 2000, the Legislature passed SB 34 to address health and safety concerns by bringing tattoo and body piercing practitioners under the regulation and licensing requirement of AS 08.13, which deals with Barbers and Hairdressers. The legislation established qualification and training requirements for license applicants, regulations for shop licenses, and sets application deadline and initial licensing dates. The legislation addressed the application deadline.

Representative Kohring noted that because the 2000 legislation contained a date deadline, it did not allow the department any mechanism for a grace period or appeal process for an applicant that missed the new license application deadline. The application is for a transitional license. The transitional license would be granted to existing practitioners to allow them to keep practicing under the new license and regulation law. The intent is to give qualified parishioners that missed the initial application deadline the opportunity to apply for a transitional deadline. The intent is not to change any of the qualifications or regulations established by SB 34

Representative Kohring would change the application deadline [from July 1, 2001, to October 1, 2002] and the licensing requirement date. He observed that the Board of Barbers and Hairdressers passed a resolution in support of the legislation.

Vice-Chair Bunde questioned how many times the deadline would need to be extended.

SHARRON O'DELL, STAFF, REPRESENTATIVE KOHRING, explained that the original deadline was July 2, 2001. The department created their mailing list from catch phrases in existing business license, such as permanent coloring. There are some businesses that do not have such verbiage in their licenses and were not notified of the deadline. She observed that they have a list of thirteen that did not receive notice.

Representative Hudson asked if the legislation changes any of the regulatory standards. Ms. O'Dell clarified that no qualifications would be changed. All of the requirements were established in the previous legislation. She reiterated that notifications were made. Some of the businesses were not easily recognized for notification, since it is a brand new license. She noted that 13 practitioners were missed. Representative Hudson questioned the need for a \$3.3 thousand dollar fiscal note.

Representative John Davies observed that one of the persons appointed to the board failed to license themselves. He questioned why the date needed to be changed.

Ms. O'Dell clarified that section 2 pertain to the license requirement. A license cannot be required prior to the application deadline. The later deadline would allow the division time to process applications and send notifications, test new applicants and allow applicants to pass the test. She noted that licenses are currently being issued.

Representative John Davies questioned why the requirement to have a license to be on the board needed to be changed.

MARY SIROKY, LEGISLATIVE LIAISONS, DEPARTMENT OF ENVIRONMENTAL CONSERVATION, spoke in support of the legislation. She noted regulations for sanitary standards have been drafted and have gone through the public process. Under the legislation, the regulations would be re-noticed and put through another public process.

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Ms. Siroky observed that public notices were published in 9 newspapers; the division sent out 2,500 letters. The fiscal note would provide funding for public notice in three newspapers.

CATHERINE REARDON, DIRECTOR, DIVISION OF OCCUPATIONAL LICENSING, DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT, provided information on the legislation. She observed that the Board of Barbers and Hairdressers support the legislation. The legislation moves forward several sections of the law from July 1, to December 1, 2002. There is one board member that has applied for his license and she anticipates that he will obtain his license prior to July 1, 2002. She explained that grandfather provisions would allow practitioners who had practiced in the last 44 months to forego the one-year apprenticeship under a licensed practitioner. The initial practitioners would only have to pass the test. A number of persons that have missed the deadline would be required to meet the apprenticeship requirement if the deadline is not extended. Approximately eight persons have received licenses.

In response to a question by Representative Davies, Ms. Reardon noted that the board member applicant would have to pass the test before a license would be issued. She did not think the provision in the legislation would be harmful, but noted that it could be taken out if there were concerns.

JEFF MARTIN, MATSU, testified via teleconference in support of the legislation. He did not know of the licensing requirement until a month after the deadline. He felt confident that everyone in the industry was now aware of the legislation. He began his business in April 2001, but has been tattooing for 15 years.

ANDY KOPLEZENSKI, MATSU testified via teleconference in support. He has been in the industry for 20 years.

Representative Foster MOVED to report CSHB 443 (L&C) out of Committee with the accompanying fiscal note. There being NO OBJECTION, it was so ordered.

CSHB 443 (L&C) was REPORTED out of Committee with a "do pass" recommendation and with previously published fiscal note: #1 (DEC).

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ADJOURNMENT

The meeting was adjourned at 2:51 PM