

**ALASKA STATE LEGISLATURE**  
**HOUSE LABOR AND COMMERCE STANDING COMMITTEE**

March 4, 2002

3:20 p.m.

**MEMBERS PRESENT**

Representative Lisa Murkowski, Chair  
Representative Andrew Halcro, Vice Chair  
Representative Kevin Meyer  
Representative Pete Kott  
Representative Norman Rokeberg  
Representative Harry Crawford  
Representative Joe Hayes

**MEMBERS ABSENT**

All members present

**COMMITTEE CALENDAR**

HOUSE BILL NO. 418

"An Act amending the Alaska Corporations Code as it relates to delivery of annual reports, notice of shareholders' meetings, proxy statements, and other information to shareholders, and providing for electronic proxy voting."

- MOVED CSHB 418(L&C) OUT OF COMMITTEE

HOUSE BILL NO. 472

"An Act relating to persons who buy and sell secondhand articles and to certain persons who lend money on secondhand articles."

- HEARD AND HELD

HOUSE BILL NO. 128

"An Act relating to employment of certain minors in agriculture."

- MOVED CSHB 128(L&C) OUT OF COMMITTEE

HOUSE BILL NO. 318

"An Act relating to a health insurance uniform prescription drug information card; and providing for an effective date."

- BILL HEARING POSTPONED

**PREVIOUS ACTION**

BILL: HB 418

SHORT TITLE: ELECTRONIC PROXY VOTING & NOTIFICATION

SPONSOR(S): LABOR & COMMERCE BY REQUEST

Jrn-Date	Jrn-Page		Action
02/13/02	2242	(H)	READ THE FIRST TIME - REFERRALS
02/13/02	2242	(H)	L&C
02/27/02		(H)	L&C AT 3:15 PM CAPITOL 17
02/27/02		(H)	Heard & Held MINUTE(L&C)
03/04/02		(H)	L&C AT 3:15 PM CAPITOL 17

BILL: HB 472

SHORT TITLE: PAWNBROKERS/SECONDHAND DEALERS

SPONSOR(S): REPRESENTATIVE(S) GREEN

Jrn-Date	Jrn-Page		Action
02/19/02	2315	(H)	READ THE FIRST TIME - REFERRALS
02/19/02	2315	(H)	L&C, JUD
02/19/02	2315	(H)	REFERRED TO LABOR & COMMERCE
03/04/02		(H)	L&C AT 3:15 PM CAPITOL 17

BILL: HB 128

SHORT TITLE: EMPLOYMENT OF MINORS IN AGRICULTURE

SPONSOR(S): REPRESENTATIVE(S) OGAN

Jrn-Date	Jrn-Page		Action
02/14/01	0317	(H)	READ THE FIRST TIME - REFERRALS
02/14/01	0317	(H)	L&C
03/26/01		(H)	L&C AT 3:15 PM CAPITOL 17
03/26/01		(H)	Heard & Held -- Assigned to Subcommittee
03/26/01		(H)	MINUTE(L&C)
04/18/01		(H)	MINUTE(L&C)
04/20/01		(H)	L&C AT 3:15 PM CAPITOL 17
04/20/01		(H)	Heard & Held
04/20/01		(H)	MINUTE(L&C)
03/04/02		(H)	L&C AT 3:15 PM CAPITOL 17

**WITNESS REGISTER**

BUDD SIMPSON, Attorney

Simpson, Tillinghast, Sorensen & Longenbaugh  
One Sealaska Corporation, Suite 300  
Juneau, Alaska 99801

POSITION STATEMENT: Testified on behalf of Sealaska Corporation  
in regard to minor changes necessary to [Version F] of HB 418.

TERRY ELDER, Director  
Division of Banking, Securities & Corporations  
Department of Community & Economic Development  
PO Box 110807  
Juneau, Alaska 99811-0807

POSITION STATEMENT: Testified on [Version F] of HB 418.

LAURA ACHEE, Staff  
to Representative Joe Green  
Alaska State Legislature  
Capitol Building, Room 403  
Juneau, Alaska 99801

POSITION STATEMENT: Presented HB 472 to the committee on behalf  
of Representative Green, sponsor.

CYNTHIA BRIDGES, Detective  
Anchorage Police Department  
4501 South Bragaw Street  
Anchorage, Alaska 99501

POSITION STATEMENT: Answered questions relating to HB 472 and  
informed the committee of the Anchorage municipal codes relating  
to pawnshops.

DAN HOFFMAN, Lieutenant  
Fairbanks Police Department  
656 7th Avenue  
Fairbanks, Alaska 99701

POSITION STATEMENT: Testified that he hopes HB 472 is going to  
lay the groundwork for every police department in Alaska to  
agree on a single reporting system, and that an online or web-  
based system would be the acceptable reporting format.

BERTHA BAUGUS  
Roy's Pawn Shop  
PO Box 718  
Delta Junction, Alaska 99737

POSITION STATEMENT: Testified on HB 472.

JULIA GRIMES, Lieutenant  
Division of Alaska State Troopers  
Department of Public Safety

3700 East Tudor Road  
Anchorage, Alaska 99507

POSITION STATEMENT: Testified in support of the intent of HB 472.

REPRESENTATIVE SCOTT OGAN  
Alaska State Legislature  
Capitol Building, Room  
Juneau, Alaska 99801

POSITION STATEMENT: Testified as the sponsor of HB 128 in support of Version O.

REBECCA NANCE GAMEZ, Deputy Commissioner  
Office of the Commissioner  
Department of Labor & Workforce Development  
PO Box 21149  
Juneau, Alaska 99802-1149

POSITION STATEMENT: Testified that the department is comfortable with Version O.

RICHARD MASTRIANO, Director  
Division of Labor Standards & Safety  
Department of Labor & Workforce Development  
PO Box 10721  
Anchorage, Alaska 99510-7021

POSITION STATEMENT: Answered questions relating to Version O of HB 128.

LARRY DEVILBISS  
Wolverine Farm & Farm Bureau  
HC04-9302  
Palmer, Alaska 99645

POSITION STATEMENT: Testified that [Version O] of HB 128 is a win-win situation.

#### **ACTION NARRATIVE**

TAPE 02-29, SIDE A  
Number 001

CHAIR LISA MURKOWSKI called the House Labor and Commerce Standing Committee meeting to order at 3:20 p.m. Representatives Murkowski, Halcro, Meyer, Rokeberg, and Crawford were present at the call to order. Representatives Kott and Hayes arrived as the meeting was in progress.

HB 418-ELECTRONIC PROXY VOTING & NOTIFICATION

CHAIR MURKOWSKI announced that the first order of business would be HOUSE BILL NO. 418, "An Act amending the Alaska Corporations Code as it relates to delivery of annual reports, notice of shareholders' meetings, proxy statements, and other information to shareholders, and providing for electronic proxy voting."

Number 050

REPRESENTATIVE ROKEBERG moved to adopt CSHB 418, version 22-LS13335\F, Bannister, 3/4/02, as the working document. There being no objection, Version F was before the committee.

REPRESENTATIVE ROKEBERG asked if the amendments included in the packet are included in Version F.

CHAIR MURKOWSKI replied yes. Chair Murkowski related her understanding that the amendments were suggested by the Division Banking, Securities & Corporations (DBSC) of the Department of Community & Economic Development (DCED).

Number 072

BUDD SIMPSON, Attorney, Simpson, Tillinghast, Sorensen & Longenbaugh, representing Sealaska Corporation, explained how the changes were made. Mr. Simpson said "we" are prepared to accept [Version F]. However, he noted the following typographical errors. In Section 1, page 1, line 7, there should contain a subparagraph (a). On page 4, line 24, he suggested that the list of items that shouldn't be sent should include "a dividend payment".

CHAIR MURKOWSKI pointed out that the latter suggestion is addressed in later sections. She clarified that this isn't addressing the issue of no longer forwarding dividends in the mail.

MR. SIMPSON agreed. He directed attention to [subparagraph] (2) at the bottom of page [4], which says that "during a period of at least 12 months, at least two payments of dividends or interest on securities". He explained, "It needs to refer back to that first section is all, in order to be correct." He directed the committee to page 5, line 28, which should read: "in person; or". The "or" was inadvertently left out, he noted.

Number 135

REPRESENTATIVE HALCRO posed a situation in which two dividend checks are returned because the address is "undeliverable." He asked what would happen in such a situation.

MR. SIMPSON informed the committee that Sealaska Corporation maintains an escrow account for funds that are undeliverable. If a shareholder has been missing for some time, the [corporation] goes to great lengths to locate the shareholder and has hired an investigator. However, such lengths aren't taken when the shareholder has been missing for only one year or so. He indicated a dividend that remains uncollected for many years can escheat at some point.

REPRESENTATIVE HAYES inquired as to whether the amendments introduced today would change the fiscal note to zero for both years.

CHAIR MURKOWSKI announced that was her understanding. However, she said the division could address that.

Number 172

REPRESENTATIVE ROKEBERG turned to page 4, subsection (c), which is where Mr. Simpson recommended including "dividends". However, he pointed out that page 5, line 1, refers to "dividends or interest on securities, or at least two dividend reinvestment confirmations". Representative Rokeberg asked if all the specific types of corporate payouts have to be listed or if there is a term of art that encompasses all those.

MR. SIMPSON said listing the entire list would be safe, but he was hoping to use a more shorthand form.

CHAIR MURKOWSKI asked if payments to shareholders or shareholder payments would include dividends and interest on securities.

MR. SIMPSON suggested inserting the following language on [page 4], line 24, after "send": "a payment to shareholders or notice thereof". The aforementioned language would cover the dividend reinvestment confirmation. Furthermore, the term "payment" is a broader term than "dividend".

REPRESENTATIVE ROKEBERG related his understanding, then, that it would read as follows: "A corporation is not required to send a payment to shareholders or notice thereof".

CHAIR MURKOWSKI noted that she was inserting Mr. Simpson's suggested language on [page 4], line 25, after "annual report".

MR. SIMPSON said that would be acceptable.

Number 218

REPRESENTATIVE ROKEBERG moved that the committee adopt conceptual Amendment 1, on [page 4] line 25, after "annual report," to insert "a payment to shareholders or notice thereof". There being no objection, conceptual Amendment 1 was adopted.

Number 231

TERRY ELDER, Director, Division of Banking, Securities & Corporations, Department of Community & Economic Development, expressed his happiness in the fact that he and Mr. Simpson were able to come to agreement on a number of amendments that addressed [the division's] concerns. Therefore, the division has submitted a zero fiscal note for [Version F]. Although there will be a cost due to the adjustment of the regulations, the plan is to do it as part of the regular regulation review process. Mr. Elder explained that the main item that moved the division to the zero fiscal note and away from the investigator was the addition of the provision [in Version F] that allows for any legal proxy to be treated in the same manner if a corporation adopts rules that provide for the electronic voting proxies. [The division] feels that goes far in ensuring that there is a level playing field between corporation proxies and independent proxies.

REPRESENTATIVE ROKEBERG remarked that Representative Halcro had made a good point earlier. Representative Rokeberg asked if the statute includes a provision regarding the requirement relating to nondelivered dividends or fiduciary instruments.

MR. ELDER said he would have to review Title 10 in order to determine whether that matter is discussed elsewhere. He noted that his only concern is in regard to whether this section is the appropriate section to include that, because this section [AS 10.06.411] speaks to the delivery of information to shareholders. He added, "If you're comfortable doing that, fine, but there may be some other section that's more appropriate and [Legislative Legal Services], in fact, may recommend a different one." However, he said, he understood [Mr. Simpson's] point that if dividends and interest payments

are sent out and are returned, there is no point in continuing to send those out. Mr. Elder said he was guessing that the corporations would be required to maintain those holdings for the benefit of the shareholder, although there may a specific time period in which the money would be considered to be "legally dead."

REPRESENTATIVE ROKEBERG inquired as to the current provision under the property law regarding the banks' ability to distribute funds to the state if there is no claimant to the money.

MR. ELDER answered that although he recalled the time period that the money had to be held to be quite a while, he wasn't sure of the specific time.

REPRESENTATIVE ROKEBERG said he didn't mind having it as a de facto provision. However, a specific statutory dictate has been created in regard to the action of a corporation, but the corporation hasn't been told what to do if those items can't be delivered. Therefore, he indicated his liking of [Sealaska Corporation's policy] to hold the funds with interest until such time that the individual can be found.

MR. ELDER commented that he would be surprised if that isn't already required, but said he'd have to review it.

Number 309

REPRESENTATIVE HALCRO informed the committee that some cooperatives such as Chugach Electric that send out dividends which are returned place a list of the names relating to the returned dividends in the newspaper. He surmised that is done because it satisfies some public-notice provision for state law, and that a corporation in the same situation would operate under the same rules.

MR. ELDER agreed and recalled that a number of newsletters from various Alaska Native Claims Settlement Act (ANCSA) corporations, which go out to all the shareholders, include a similar type of notice.

CHAIR MURKOWSKI pointed out that the statutes pertaining to real property say that after seven years from the date of judgment, the [property] can escheat to the state. Chair Murkowski agreed to have staff check into this matter.

Number 349

REPRESENTATIVE HALCRO moved to adopt conceptual Amendment 2, on page 5, line 28, after "person;", to insert "or". There being no objection, conceptual Amendment 2 was adopted.

CHAIR MURKOWSKI announced that the lack of subsection (a) in Section 1 is a drafting issue that the drafters can address [without an amendment].

REPRESENTATIVE HAYES moved to report CSHB 418 [version 22-LS13335\F, Bannister, 3/4/02, as amended] out of committee with individual recommendations and the accompanying zero fiscal note. There being no objection, CSHB 418(L&C) was moved out of the House Labor and Commerce Standing Committee.

HB 472-PAWNBROKERS/SECONDHAND DEALERS

CHAIR MURKOWSKI announced that the next order of business would be HOUSE BILL NO. 472, "An Act relating to persons who buy and sell secondhand articles and to certain persons who lend money on secondhand articles."

Number 379

LAURA ACHEE, Staff to Representative Joe Green, Alaska State Legislature, introduced HB 472 on behalf of Representative Green, sponsor. She said currently in the Municipality of Anchorage, pawnshops and other types of secondhand dealers such as fur shops are required to make weekly reports to the Anchorage Police Department (APD) of all of the items that they receive and sell as pawned goods. The reasoning is it allows the police department to match up these records of items taken in against records of stolen goods, in an effort to hopefully return those stolen goods to the original owners. This system has been working well in Anchorage.

Number 385

MS. ACHEE explained that this law is limited to Anchorage. State statute now requires all pawnshops across Alaska to keep very detailed records and that the records be open to law enforcement. Unfortunately, law enforcement agencies don't have the manpower to send someone around to go through the record books of each pawnshop every time there is a record of a stolen item.

MS. ACHEE said HB 472 is modeled after the Anchorage municipal code and would require that pawnshops across the state make weekly reports to either the local municipal agency or the state troopers of items taken in during the week. The bill makes another addition to the state statute [relating to] the municipal code, requiring a written description of the person [who pawned the item]. The reasoning is that if an item turns up stolen, then the police have a physical description in addition to the identification (ID) of the person who pawned the item. She said she has been working with Detective Cynthia Bridges from the APD; Officer Dan Hoffman from the Fairbanks Police Department; and Officer Simon Brown, usually of the Alaska State Troopers but who, as a [National] Guard member, is currently on active duty and may not be able to call in to testify. She said Detective Bridges and Officer Hoffman should be able to call in to testify.

Number 405

CHAIR MURKOWSKI asked, since HB 472 is modeled after the Anchorage municipal code, whether there are forms already in place for filling in physical descriptions. She said as she understands it, the form is provided by or in a format acceptable to the police department or the state troopers. She asked Ms. Achee if HB 472 is trying to get a uniform type of form or if it matters.

MS. ACHEE deferred to Detective Bridges to answer the question regarding what Anchorage is currently using as a form.

Number 417

REPRESENTATIVE HAYES commented that if this is going to be a statewide program, each part of the state might want to do this differently. He asked, "How do we go about doing that? ... Why is the state doing this in general? Why not do this through municipalities?" He explained that one basic argument regarding the [state] budget is that perhaps the state does more than it should in areas the cities and municipalities should cover. He asked why the state wants to get involved in doing this.

Number 423

MS. ACHEE answered that the statute is worded such that it would be up to each individual municipality or the state troopers, if they have jurisdiction, on what they would like to see in the report. She mentioned that although she doesn't know the exact

date, some officers whom she's been working with are getting together this month [March] to look at software that tracks incoming reports - the idea being that if they could agree on one they all liked, they could go back to their agencies and have that software purchased, and could all be on the same page. She remarked, "There's a real nice spirit of cooperation out there among the different agencies."

MS. ACHEE responded to Representative Hayes's second question, regarding whether there is "stepping into some municipal jurisdiction." She explained that if an item stolen in Anchorage is pawned in Fairbanks, this state law would affect the Anchorage resident as well as the Fairbanks pawnbroker. She offered that this is why she thinks it is a statewide issue.

REPRESENTATIVE HAYES replied that if it is stolen property, no matter what part of the state it is in, he doesn't see why there would be a jurisdictional problem with stolen property, "which is overarching anyway." He said the City of Fairbanks has a very tight budget, so "the agencies have to pay for whatever to do this." He suggested this law would be an unfunded mandate. He offered that he doesn't know why there needs to be a state law when it sounds as though municipalities already do this.

Number 446

MS. ACHEE replied that the idea is to get the items back to the people to whom they belong. The [City] of Fairbanks does not have any similar laws on the books. She said she would let Officer Hoffman address that issue because it is something that he is frustrated with.

MS. ACHEE said it is her understanding, after several casual conversations with Officer Brown from the Alaska State Troopers, that there is actually traffic from people who steal things in one part of the state and disposing of them in another part to help hide their tracks. Regarding money, she said it is a big question and that there is going to be a cost involved for the in-taking agencies. She stated:

I'm speaking for Officer Brown, since I'm not sure if he's going to be able to phone in today; he's actually put a lot of thought and a lot of work into this. ... He uses welfare-to-work folks to come in and do the data entry, which provides job experience for them and low-cost data entry for the state. So it's a win-win situation.

Number 462

REPRESENTATIVE MEYER brought attention to the reference in the bill to keeping track of transactions in a "book". He asked if a "book" is a journal or could also be a computer record.

MS. ACHEE said the statute predates HB 472, so now it probably is a physical book or journal. She mentioned that a few shops in the state aren't computerized and probably keep records in a physical book. Many shops in Anchorage are computerized, however, and keep records on a computer.

REPRESENTATIVE MEYER asked if the shop owners who have access to a computer are using a physical book also.

MS. ACHEE responded that she doesn't know. She said the issue of whether the word "book" needs to be used in the statute anymore should be addressed.

Number 474

CHAIR MURKOWSKI referred to AS 08.76.020(b), which read in part:

Sec. 08.76.020. Manner of recording entry.  
The entries shall appear in chronological order, in ink or indelible pencil. Blank lines may not be left between entries. Obliterations, alterations, or erasures may not be made.

CHAIR MURKOWSKI remarked, "This is something that we want to get rid of because it would prohibit the ability to use the software, which sounds like the real deal here."

Number 480

MS. ACHEE referred to her classroom experience while obtaining her degree in biology. She recalled that in classes where there were scientific experiments, the students had to follow in the model they would later use if they became researchers. It was very important that the notebook not have any pages removed, that it be written in indelible ink, and that errors be drawn through with a line for the sake of being able to prove no [inappropriate] changes had been made to the document. While she agreed that requiring in statute that a book be used could potentially put those businesses that only use computers in

jeopardy, she emphasized that the intent is very important to maintain.

CHAIR MURKOWSKI agreed with Ms. Achee's point about maintaining the intent.

Number 489

MS. ACHEE mentioned that she has done a little research and found that a number of software programs are available to pawnshops. She said she isn't sure if that software allows changes or not, but it probably needs to be researched. She added, "I think that all of the pawnbrokers in Alaska are probably very upstanding people who are not going to be out there ... taking in goods that they're not recording. But these are things you need to be aware of could happen."

REPRESENTATIVE MEYER addressed the issue of the definition of a pawnshop. He asked if a shop like Play It Again Sports would be considered a pawnshop.

MS. ACHEE said that question has been raised before and she does not have an answer.

REPRESENTATIVE MEYER inquired about the number of pawnshops currently in Alaska.

MS. ACHEE said through an informal search she'd performed on Yahoo Yellow Pages, she'd found about 55 stores under the category of pawnshops, half of which are in Anchorage.

Number 502

REPRESENTATIVE HALCRO referred to page 1, lines 12-14, which outlines the physical description of the customer including "age, height, weight, race, color of hair, and color of eyes". He asked if this is currently being done in Anchorage.

MS. ACHEE replied in the affirmative.

REPRESENTATIVE HALCRO asked if there have been any concerns with civil liberties being violated.

MS. ACHEE said she isn't aware of any concerns in Anchorage regarding that. She mentioned a position held by the National Pawnbrokers Association that while it agrees this information should be taken down, it doesn't necessarily agree it should be

transmitted to the police agencies as part of the weekly or daily reports. It argues that while the information should be retained on record, it shouldn't be transmitted unless called for by the police agency.

REPRESENTATIVE HALCRO offered that the National Pawnbrokers Association's position sounds pretty reasonable. If there is a hit in the journal that indicates there is a stolen item and a specific person brought it in, the police could then go back to the pawnshop and ask for a more detailed record of the person's physical description. He asked if this has been considered.

MS. ACHEE asked, "Changing the bill?"

REPRESENTATIVE HALCRO restated the aforementioned, which is to basically allow the pawnbroker to keep this information private until the police come back and say, "We have a hit on this one item you've logged into your journal book. We'd like to know more about the customer."

Number 521

MS. ACHEE said as the bill is currently written, it doesn't specify what needs to be in the report to the local agencies. She offered that she thinks right now it would be up to the individual police agencies what information they are looking for. She said:

I know that the Anchorage Police Department does receive that information on [its] reports and have used it in reverse when someone has said, "Well, I think my son stole something from me." Then they've used it in reverse and looked for the item by person selling or pawning it, and found items that way as well.

Number 526

CHAIR MURKOWSKI referred to page 2, Section 3, subsection (b), where it does provide that the information under AS 08.76.010 is required. She said it sounds as though the summary would have to contain this information, although it doesn't describe how it would be formatted.

REPRESENTATIVE CRAWFORD addressed the topic of documenting the physical description of the customer, and offered that it might be just as good if the pawnbrokers were given the choice of

taking a video recording instead of writing down the description. He also asked if it is required to let the customer know that his/her physical description is being taken down.

MS. ACHEE replied that if the committee and the legislature as a whole wanted to include the option of a video, she thought that would probably be a good idea. She said she isn't sure what the rules are for what's admissible in court and how one identifies someone in a case in which someone brought in stolen goods.

MS. ACHEE, in response to Representative Crawford's second question, said since she has not worked in a pawnshop, she doesn't know if the customer is aware that his/her characteristics are being taken down.

REPRESENTATIVE CRAWFORD mentioned that the bill doesn't specify whether or not the identification card has to be a picture ID. He asked, "Shouldn't we specify that it should be a picture ID and not just a social security card?"

Number 550

MS. ACHEE said it was a good idea if the committee was willing to entertain that.

CHAIR MURKOWSKI offered one problem, that in some smaller, remote communities there isn't access to picture IDs. In these communities, airport security has been an issue because some people don't have anything to present that establishes their true identities. She mentioned conversations with Mary Marshburn, Director, Division of Motor Vehicle (DMV), Department of Administration, concerning how to get DMV to go out and issue state IDs or something to give these folks some kind of picture ID.

REPRESENTATIVE CRAWFORD suggested that if the customer doesn't have a picture ID, then the pawnbroker could take a video in lieu of the picture ID. He said, "I can't imagine a pawnshop in the state that doesn't have a video camera in it, or ten."

Number 565

CYNTHIA BRIDGES, Detective, Anchorage Police Department (APD), testified via teleconference. She said in Anchorage there are several different ways that the 23 pawnshops report to [the APD]. Some pawnshops report on paper, while others either e-

mail the report or have a computer disc with the report that is collected on a weekly basis. She offered that the police department provides the pawnbrokers with pawn tickets, and other agencies could duplicate the tickets or have a copy of them and make their own off of [the police department's] copy. She said while most of the pawnshops are computerized, they are required to maintain a hard copy when there is a transaction. This is a safety measure just on the off chance the computer records are destroyed.

Number 580

MS. BRIDGES explained that there's a disclaimer on the bottom of the pawn ticket that the customer or "pawner" is required to read and sign, which basically states that the person owns the property. There's a blank on the pawn ticket for the customer to fill out regarding the number of months and years that the person has owned it. The customer must then sign the pawn ticket also. If the customer signs and [the police department] can prove the item probably didn't belong to that person in the length of time declared, that person can be arrested for theft by deception. She explained that this is one thing that helps [the police department] to be able to charge people who pawn stolen property.

MS. BRIDGES continued, explaining that Play It Again Sports in Anchorage is required to report to [the police department] also. She mentioned that it has recently changed owners, and the new owner has asked whether the reporting requirement would continue; Ms. Bridges said she's still trying to find the answer to that inquiry. She added, "Apparently, they're not required to have a pawnbroker's license, so ... I'm not sure if they're going to be required to report to us." She said although that business takes in quite a bit of property that could possibly be stolen, she has never had any problems with the business in the two years she has been doing pawn. However, it still is required to report.

Number 590

MS. BRIDGES mentioned that the name information is very important for the APD to receive.

TAPE 02-29, SIDE B

Number 592

MS. BRIDGES explained a current situation in which a young lady had a couple pieces of jewelry stolen and called to report it, saying she'd had people over at her house and knew someone took the jewelry. She continued describing the situation:

She gave me names. I checked the names. None of those people had done it. But she also said, "There's this other gal, her name was April, and I know she pawned the jewelry at Cash Alaska - Muldoon." So I got on our system and looked for the particular date that she was saying that the jewelry went missing, and sure enough, I did find April, and I was able to find out who April was. And hopefully we'll be able to recover this jewelry for her.

Number 584

MS. BRIDGES mentioned that [the report] doesn't go out to the public; it's just for [the police] department's use. She offered that it would be good with outside agencies also. She explained:

For example, [if] Lieutenant Hoffman in Fairbanks has a suspect that he felt possibly came to Anchorage and pawned some property, he could call me and say, "Could you run this person in your system to see if they've made any pawns locally in the past week." And I could run that person's name and ... say, "Yeah, ... he pawned ... a Makita drill." ...

A lot of people do not record serial numbers. There [is] a lot of property out there that is serialized, but they do not record the numbers. And the problem that we have is, if we go in and look just for a generic item, say, a Makita drill, we may have 20 pawned in a week. Without that serial number, we may not be able to return it to the owner. But if the owner says, "Hey, ... I think my employee, John Doe, pawned my drill," ... his name is in the report; I get the report, [and] then I can run that guy's name in the computer, and if he did pawn a drill, then I can recover it.

Number 574

MS. BRIDGES asked, in regard to villages that don't have photo IDs, if there even are pawnshops there. If there are, she asked

whether the owners can vouch for people's identities even though they don't look at a picture ID, because of knowing a person for 20 years, for example. She emphasized that the whole point of the picture ID is for the clerk to be able to look at it and say, "Yes, this is the person who pawned this item. I looked at their ID, I looked at them, and I verified it was, in fact, the same person."

MS. BRIDGES offered that there are issues when people obtain a fake ID that has the correct picture but a different name. She said:

It's not required here in Anchorage; I'd like to see it required, but it's not required at this point. ... In some of the smaller towns, they might not have a picture ID. ... The whole point of doing this and looking at the picture ID is if the property was stolen, we can determine who pawned it and be positive that that's the person that pawned it. So maybe if the picture ID is not available, a fingerprint - so if for any reason that piece of merchandise [that] is pawned comes up stolen, we can go back and say, "Okay, you provided a fingerprint when you pawned the item. Would you be willing to provide another fingerprint for comparison?"

Number 553

MS. BRIDGES mentioned that many pawnshops in Anchorage have video cameras, but not all do. She offered that maybe a digital photo could be another option if a customer doesn't have a photo ID.

MS. BRIDGES said, "We [in Anchorage] are proud of our ordinance regarding the pawnshops. We do not get a lot of problems with our pawnshops. They are very good at complying with the ordinance." She added, "We're trying to strive to change a few things." She explained that [Anchorage] would like to see real-time reporting or reporting on a daily basis, whereby there is a better chance of recovering more stolen property. She said Anchorage recovers hundreds of thousands of dollars a year in stolen property. She stated:

Some of the crooks are getting wise to the fact that we recover stuff from the pawnshops [that] they do take ... out of town. Palmer [or] Wasilla is not too far away that they can't just take a short drive out

to the valley and pawn the stuff. We can't recover it from there, because they don't report like they do here in Anchorage. ... If they had the same ... or similar setup that we do, then it would be a lot easier in recovering a lot more stolen property.

Number 535

CHAIR MURKOWSKI referred to Play It Again Sports and said, looking at the statute, it is clearly a business engaged in buying and selling secondhand articles. She mentioned that women's consignment shops would be included also. She offered that she can't imagine that these entities would require something as specific as a pawnbroker license, and in looking at the statute, she thought this might be an opportunity to define pawnbrokers. She asked if the requirements to have a pawnbroker license are in the Anchorage municipal code.

MS. BRIDGES referred to the Anchorage Municipal Charter, Codes and Regulations, 10.20.025, which read in part:

Required. No person may engage in the business of lending money on security of personal property physically taken and held, or purchasing articles of personal property and reselling or agreeing to resell the articles to the vendor or an assignee at a price agreed upon at or before the time of purchase, without first having obtained a pawnbroker's license from the municipal clerk.

Number 516

CHAIR MURKOWSKI said she isn't sure if that tells her anything more than she knew before. She said this is important information to have for the pawnshops and their reporting, but it seems there's a group that could be dragged unnecessarily into this. She said she isn't quite sure how that issue should be addressed yet. She offered that it may just be by inserting a definition of pawnbroker somewhere.

REPRESENTATIVE CRAWFORD asked Ms. Bridges if it would make her job easier if there were a record of a photo ID, rather than just a written description of the customer.

MS. BRIDGES said it would definitely make her job a lot easier. In Anchorage, pawnshops are required to collect the information on the person making the pawn, from his/her ID. She emphasized

that whether it be a military ID, an Alaska driver's license, an Alaska ID, or another state ID, it has to have a photo. She told members, "The whole point of it is to be able to say that you're positive the person that you are doing the transaction for is the same person on the ID."

REPRESENTATIVE CRAWFORD offered that it doesn't seem the wording in [HB 472] is clear about the type of identification card used; it only requires giving the number of the card.

Number 497

MS. BRIDGES explained that [Anchorage's] municipal statute is at least ten pages long and covers a lot more than [HB 472] does.

REPRESENTATIVE CRAWFORD restated his question regarding whether the person who is making the pawn actually knows that there's a physical description being taken down.

MS. BRIDGES explained that a person who pawns an item is given a copy of the pawn ticket. Most pawnshops - but not all - do it on a computer and print out a "hard card" for the customer. She described that on the pawn ticket there is a place for the driver's license number, sex, race, age, height, weight, [color of] hair, [color of] eyes, and date of birth. She said she doesn't know if the customer is necessarily told the information is being recorded, but the customer is provided a copy of the ticket.

REPRESENTATIVE CRAWFORD said that answers his question. He then asked if it should be required that a record of a photo or a photo ID of the person pawning the item should be kept. He offered that it isn't in [HB 472] as far as he can tell.

Number 475

REPRESENTATIVE KOTT asked if this is putting the pawnshop owner in the position of trying to guess someone's age and weight, or if the customer fills out the form.

MS. ACHEE deferred the question to Detective Bridges.

REPRESENTATIVE KOTT referred to Section 1, subsection (a)(6), where it discusses naming the type of identification card used to identify the customer. He then referred to Section 2, subsection (b), which read:

The person actually conducting the transaction for which a signature is required under (a)(6) of this section shall verify the identity of the customer by comparing the signature of the customer with the signature on a driver's license, state identification card, or other identification card issued by a governmental entity to the customer.

REPRESENTATIVE KOTT offered that he doesn't see that a photo ID isn't being used. He said the clerk will be able to validate who the customer is by not only a signature, but also a photo.

Number 459

MS. ACHEE offered that she believes a social security card can also be accepted as identification. As was already discussed, she said some Alaskan communities don't have photo equipment available when creating state IDs for residents. She mentioned that she has friends who, when attending college out of state, lost their driver's license and had Alaska state IDs issued that said "Picture not required" in place of the picture. So it is possible to have a valid ID without a photograph on it.

REPRESENTATIVE KOTT said in Alaska there are pictures on all driver's licenses and state IDs. He offered that he doesn't believe that anywhere is a social security card accepted as an identification card. He said he has tried and was rejected, and doesn't think a social security card even falls into the category of an ID card. He recognized the problem with issuing photo IDs and driver's licenses in rural Alaska. He mentioned that the National Guard and the Air Guard would have an ID card.

Number 436

MS. BRIDGES asked, "How would they get the physical descriptors?" She suggested it would be something one could get off of a driver's license without asking the customer how much he/she weighs or how tall the person is. Someone would just have to ask for the ID card and then collect all the information from the ID card. She offered that police reports have the same type of information being discussed that can be gathered from an ID card. In regard to some of the physical descriptors, she said someone can just look at the customer and kind of guess on the height and weight because it's not a major concern. She emphasized, "The major concern is making sure that the person on the ID card is the same person you're doing the transaction for."

Number 425

REPRESENTATIVE KOTT offered that maybe [HB 472] should state something like "approximate height and weight". He commented, "I can show you my ID card. I look just look I did ten years ago, but I can guarantee the weight is substantially different."

REPRESENTATIVE CRAWFORD asked whether a State of Alaska voter ID card that has a signature would be considered a sufficient form of ID.

MS. BRIDGES said she doesn't think so. [Anchorage's municipal code] is pretty specific and includes name, address, and military serial number or driver's license number. Although Ms. Bridges said she wasn't sure whether she could find it in the statute, all pawnshops [in Anchorage] know that they're required to check IDs, in order to "make sure that you are doing the transaction for the person that they say they are." She offered that if someone comes in and wants to make a transaction but doesn't have a photo ID, the pawnshop will turn the person away.

Number 407

REPRESENTATIVE HAYES asked how much this program costs the Municipality [of Anchorage] to implement every year. He said it seems that not a lot of places in the state currently have this type of program. He offered an example of a person from rural Alaska who is visiting Anchorage for the day and wants to pawn some items. He said if the person didn't have any type of picture ID that would be acceptable, then he/she would have to go to DMV and get an ID. He asked if it would be the responsibility of the pawnshop owner to inform the customer of the need to go through all these different steps.

Number 393

MS. BRIDGES said the pawnshops know they're required to check ID when they do a loan; if a person who wants to pawn an item doesn't have a picture ID, then the pawnshop is not going to be able to do the transaction. She explained that it is up to the customer who lacks a picture ID to make the effort to go to the DMV and get a driver's license or an ID with a picture. It just depends on how badly the person wants to pawn the item. She stated:

I'm just not sure how big of a deal not having a picture ID is, because I'm not sure how many of the rural communities have pawnshops. ... And it just seems to me that if, in fact, you do have a rural community that has a pawnshop, then more than likely the pawnshop owner would probably know pretty much everybody in the community. And in that case they wouldn't necessarily need to have picture ID, because they know the person.

Number 376

CHAIR MURKOWSKI mentioned that other people online waiting to testify might be able to offer some insight into that issue.

REPRESENTATIVE HAYES said he appreciates learning about what is done in Anchorage, but is curious what is done elsewhere [in Alaska]. He said if the same physical descriptions aren't currently required in other sections of the state besides Anchorage, then that would put a whole new system on those areas that currently don't have those requirements.

Number 371

DAN HOFFMAN, Lieutenant, Fairbanks Police Department, testified via teleconference. With regard to Representative Hayes's question, he said this issue needs to be addressed on a statewide basis. He said both Anchorage and Fairbanks have a pawn ordinance in place. He mentioned a big problem is that [Fairbanks] can make a change to the local ordinance, but it's not going to affect all the pawnshops just outside the city limits in the borough that don't have any enforcement authority. It's not going to affect pawnshops in North Pole, for example, or in the Matanuska-Susitna area. He offered his belief that a tremendous amount of stolen property is stolen in Fairbanks on a monthly basis and is trucked to the [Matanuska-Susitna] area and Anchorage, where it is pawned, and vice versa. He continued:

It's because we're not centralized, and it's because everybody's not on the same sheet of music here. ... [There are] a lot of people who are stealing hundreds of thousands of dollars' worth of stolen property to just move [it] from one area to the next. So that's why I think this bill is a first very important step to get every place in the state online to where everybody is having to do the same thing.

This bill is pretty generic. What I see as the real main section of this bill, that ... state[wide] they have to report to their local police department in a format acceptable to that department, that's very generic language. And that's probably as it should be, because that's what's going to give your individual municipalities the fair chance to structure things how they want it.

Number 345

MR. HOFFMAN offered that he hopes [HB 472] is going to lay the groundwork for every police department in the state - and hopefully the chiefs of police association - to agree on a single system. He mentioned that an online or web-based system would hopefully be the acceptable reporting format. That way, if somebody steals something in Palmer and two days later pawns it in Anchorage or Fairbanks, that agency is going to be able to report it to the agency that took the (indisc.) report and get it resolved and get the item back to the owner.

Number 334

MR. HOFFMAN expressed:

I think if any of you ask any of your constituents in any of the communities that you represent, you'll find, I think, people are getting very fed up with the amount of property theft that's going on in this state. And I think anything we can do that's going to facilitate getting people their property back is well worth the effort.

Number 332

REPRESENTATIVE HAYES asked if the requirement that the pawnshop record the physical description of the person pawning an item is standard operating procedure across the entire state, and not only in Anchorage and Fairbanks.

MR. HOFFMAN answered that he believes it's standard operating procedure anywhere pawnshops are regulated. For example, Fairbanks has an ordinance that requires all of the local pawnshops to complete what are called pawn tickets, which are the same as the pawn tickets that Detective Bridges said are used in Anchorage. These use carbon copies. The person pawning

the property gets one copy, the pawnshop retains a copy, and then the third copy goes to the police department.

Number 320

MR. HOFFMAN said Representative Hayes had brought up another very good issue earlier about creating unfunded mandates and whether this will create a big system that local departments can't support. He described the problem in Fairbanks right now: nearly all agencies are on a paper-based system; volunteers and police go around and collect shoeboxes full of pawn tickets. However, there isn't data-entry staff available to enter all that information into a searchable database, as Anchorage does. Mr. Hoffman continued:

That's why I say what we're looking at, down the road, is really shifting the burden of data entry away from governments and public agencies and putting this directly on the pawn owners themselves. There's no reason that when a pawn owner does a transaction that they shouldn't immediately be inputting that transaction into a computer record. ... Then that either gets transferred online or we go around and pick up a disc, as Anchorage is doing, and that immediately gets sent up to a centralized database [that] all law enforcement agencies can access.

I think every agency -- I know Anchorage, and I'm sure the troopers, as well as us, we're all trying to work harder and work smarter and work with the existing technology. We don't have the budget to go hire a bunch of data-entry clerks and do manual entry on pawn tickets using 1950s technology. We really should be moving forward and using the information technology that's available out there.

Number 301

MR. HOFFMAN, referring to Representative Hayes's original question, affirmed that it is standard operating procedure throughout the pawn industry to obtain ID, obtain physical descriptors, and confirm signatures.

Number 298

REPRESENTATIVE HAYES voiced his concern with the effect this proposed state law would have on rural areas that have village

public safety officers (VPSOs) and lack any law enforcement agency. He asked, "Is this law pretty much going into place for the urban areas?"

MR. HOFFMAN answered, "I would say primarily, because I personally don't believe that there are very many pawn and secondhand stores out in the rural areas." He offered that people [from a rural area] who have things they need to pawn will probably bring them into Fairbanks or Anchorage when they come into town. He said he has spent a lot of time working in rural Alaska and has never seen a pawnshop.

MR. HOFFMAN expressed that he thinks the main part of [HB 472] is it requires the pawnshops to report in a format acceptable to the local police department. He said, "If your local police department is the Alaska State Troopers post in, for example, Shungnak, they may say it's acceptable to our police department that we're not going to do this here, because it's not an issue." He noted that it's urban areas like Fairbanks, Wasilla, Palmer, Anchorage, or Juneau where local police departments will probably want to develop a format for reporting and to require pawnshops to submit reports.

Number 269

BERTHA BAUGUS, Roy's Pawn Shop, testified via teleconference, noting that Delta Junction is considered rural Alaska and that "we do have a pawn and a thrift store." Speaking of herself and Roy Baugus, who was no longer available to testify that day, Ms. Baugus said, "We've been here about 20 years and we've followed all the rules and regulations [for a] store for pawn."

Number 254

MS. BAUGUS informed the committee that she doesn't have computer access, so all [transactions are] handwritten in [a book]. She said, "The main thing we were worried about is the buying and selling of items in our thrift store and our pawnshop. ... For what kind of items [are] you asking ... to be listed with identification?"

MS. ACHEE answered that in the course of putting forward [HB 472], a big gray area opened up, and she thought "it would be a good thing if this were a place where we could define what exactly we're looking for." She said she hadn't considered consignment shops, thrift stores, and the Salvation Army, for example. Technically, a person who steals an item isn't

probably going to take it to the Salvation Army and drop it off for free, but the Salvation Army is a dealer in secondhand goods. She stated, "That does raise a big hole in our current statute, and I think perhaps something along the lines of a dollar amount, perhaps, or maybe an average dollar amount in transactions for the store as a whole -- so that would completely exempt things like thrift stores."

Number 232

CHAIR MURKOWSKI offered that it seems there is a substantial difference between a pawnshop and a thrift store or consignment shop. She suggested perhaps it just goes back to issue of licensing for pawnbrokers. She said she doesn't know what those requirements are, but mentioned that Ms. Baugus had raised an interesting point that the sponsor should perhaps consider. She asked Ms. Baugus if she had any further testimony.

MS. BAUGUS offered that Delta Junction is a small town; anybody who brings in a stolen item is not going to pawn it and provide a ID, but will try to sell the item. She said she also buys things from people. She explained that she has been in Delta Junction for "20-some years," knows just about everybody in town, and doesn't always ask for an ID. She said when new people come in that she doesn't know, she tries to get a description. She said if a new person comes in selling two or three videos for the thrift shop, she doesn't always ask for an ID. She noted, "That's the limit [on] the amount I was talking about." She also asked about the impact [of HB 472] on current inventory.

CHAIR MURKOWSKI said she isn't certain.

Number 198

MS. ACHEE noted that [HB 472] lacks an effective date. She offered that she doesn't think reports of current inventory would be required, and that when an effective date is added, it would be from that point forward. She said under current statute, Ms. Baugus should have been entering all of her transactions into a record book up to this time.

CHAIR MURKOWSKI reminded Ms. Achee that Ms. Baugus had indicated that she has been keeping the record book, but that it's not computerized.

REPRESENTATIVE KOTT asked if there are any additional pawnbrokers or secondhand store dealers waiting to testify. He asked Ms. Baugus how many transactions she has over the course of a week.

Number 184

MS. BAUGUS explained that Delta Junction is a small town and some weeks she might have two pawned items, and some weeks she might have six or seven items. She said, "That's about our limit."

CHAIR MURKOWSKI informed Representative Kott that there weren't other pawnbrokers or secondhand dealers online waiting to testify.

Number 171

JULIA GRIMES, Lieutenant, Division of Alaska State Troopers, Department of Public Safety, testified via teleconference. She said she was online to listen and to answer any questions. She explained that she hasn't been able to get together with Captain Brown to find out what he has discussed with the sponsor, and said she hesitates to add a whole lot. She mentioned that the state troopers throughout the state want to be able to cooperate and work in concert with any police department to "have a large net around the state to try to be effective in finding and recovering stolen property." She concluded, "So we certainly are in support of the intent of this bill."

Number 155

REPRESENTATIVE HAYES expressed surprise that [HB 472] has a zero fiscal note. He asked Ms. Grimes, if the state troopers don't currently record any of this information, whether the cost will just be absorbed into current operations.

MS. GRIMES surmised that would be the case. With regard to the fiscal note, she said she suspects that the reports from the more rural areas would not be substantial, and could be filed or entered into a computer database with little impact. She suggested it wouldn't be a whole lot more than just creating either a hardcopy or a computerized database. She offered to do further research on this issue.

Number 122

MS. BRIDGES added that she frequently gets pawn tickets from out-of-state agencies. She'd just received one from Longview, Washington, for example, and one from Mesa, Arizona, and both have physical descriptors. She offered that "it's a nationwide thing to put physical descriptors on the pawn ticket."

MS. ACHEE agreed and said Arizona, Florida, and Illinois also require a physical description, so it's not completely unusual. She added:

Since this scenario has arisen where someone could present a false ID, having a physical description of the person in addition to a name off an ID card is probably a good thing. Whether the pawnshops are reading it straight off the ID or actually looking at the person is another question.

MS. ACHEE related her understanding that if stolen property is found, the pawnshop loses the money it paid to the person who pawned the item; she surmised that Detective Bridges might be able to verify that assumption. She added, "Perhaps if you could identify that person with certainty, then the pawnshop has some civil [action] against them."

MS. BRIDGES said Ms. Achee's interpretation is correct. She added that if [the APD is] able to prosecute, it requests restitution for the pawnshop as part of the penalty or as part of the punishment if the thief is found guilty. She said if the pawnshops wanted to go as far as putting a lien on the thief's permanent fund [dividend], for example, the courts can order restitution.

Number 084

CHAIR MURKOWSKI acknowledged that there have been some good issues and points of concern raised. She said without going too far with HB 472, and looking at the statutes that regulate pawnshops, she believes there is probably some room to update and revise certain areas of that statute. She continued:

Specifically, when it refers to the book, you'd hate to think that what is happening in Anchorage and Fairbanks is being done of violation of the statutes right now. But from what I've heard and what I'm reading, it sounds like that's possibly the case. So this could be a good opportunity to really bring the statutes current. And then I think - just in [terms

of] how we can deal with this issue of the consignment, the thrift shops, the Play It Again Sports scenario - I think this is a good opportunity to kind of work it through.

CHAIR MURKOWSKI offered her time and her staff's time to work with Representative Green to find a good way to do this.

Number 061

REPRESENTATIVE KOTT suggested that in working with the sponsor and his staff, Representative Murkowski might also consult with some of the pawnbrokers. He said he was hoping to hear from some pawnbrokers to see if the proposed recording mechanism used to submit to the police department is onerous. He said he was curious how many transactions a pawnbroker might have in a week. He said he's never been in a pawnshop. He suggested that if there are thousands of transactions a month, maybe a threshold should be established whereby only items valued at over \$5 need to be recorded.

Number 040

MS. ACHEE added that unfortunately the local representative for the National Pawnbrokers Association was unable to testify today because she was out of town.

CHAIR MURKOWSKI said she thinks this can be worked through and offered to help, but without forming a subcommittee. She thanked the sponsor and all who'd testified. [HB 472 was held over.]

HB 128-EMPLOYMENT OF MINORS IN AGRICULTURE

TAPE 02-30, SIDE A

Number 001

CHAIR MURKOWSKI announced that the final order of business would be HOUSE BILL NO. 128, "An Act relating to employment of certain minors in agriculture." She noted that last year HB 128 was assigned to a subcommittee chaired by Representative Rokeberg.

Number 036

REPRESENTATIVE ROKEBERG moved that the committee adopt the proposed committee substitute (CS) [version 22-LS0373\0, Kramer, 2/7/02], which was recommended by the subcommittee, as the

working document. There being no objection, Version 0 was before the committee.

REPRESENTATIVE ROKEBERG remarked that the primary issue is in regard to the seven-day [time period for the employer to file the written parental consent].

CHAIR MURKOWSKI related her understanding that the issue is in regard to whether the seven days is adequate, too much, or too little.

REPRESENTATIVE ROKEBERG agreed.

Number 079

REPRESENTATIVE SCOTT OGAN, Alaska State Legislature, testified as the sponsor of HB 128. In regard to the seven-day issue, he related his belief that it's a compromise. He acknowledged that in some parts of the state it may be difficult to meet the seven-day requirement. He remarked, "I think this is good, commonsense legislation." Furthermore, Representative Ogan said he feels this legislation will result in a cost savings to the Department of Labor & Workforce Development (DLWD), because it won't have to deal with every case.

Number 104

REPRESENTATIVE HALCRO highlighted that the title of the bill has been broadened quite a bit. Originally, the bill addressed only agriculture, whereas now it addresses all industries. Representative Halcro inquired as to whether Representative Ogan is supportive of broadening the title to include all industries.

REPRESENTATIVE OGAN replied yes. Although this legislation began in an attempt to address agriculture, he felt it would work well with all employers of minors.

Number 139

REBECCA NANCE GAMEZ, Deputy Commissioner, Office of the Commissioner, Department of Labor & Workforce Development, announced that the department is comfortable with moving forward with Version 0. There is a draft fiscal note of \$22,500 for a one-time expense for legal services, public notices, hearing space, and revising and reprinting posters and pamphlets. The fiscal note will be transmitted tomorrow. She related her belief that [Version 0] is a good compromise.

CHAIR MURKOWSKI asked whether the seven-day period is workable for the department.

Number 166

RICHARD MASTRIANO, Director, Division of Labor Standards & Safety, Department of Labor & Workforce Development, testified via teleconference, saying the seven-day requirement is reasonable and acceptable. Although the [department] would like that time to be shorter, everyone is compromising [with the seven days]. He pointed out that if the legislation works as it should, then [the division] will have reviewed the jobs prior to the minors' working.

CHAIR MURKOWSKI asked whether [the division] has to have the original copy and thus the "written consent" could be faxed. She also asked whether [the division] can accept the consent form from the parent in writing.

MR. MASTRIANO replied yes. He explained that the plan is to redesign the current work permit and use it for parental consent. [The division] currently accepts a parental signature that is faxed.

Number 194

REPRESENTATIVE HALCRO recalled testimony in hearings last year that the turnaround time for these approvals was fairly quick. He inquired as to how this worked last summer.

MR. MASTRIANO answered that the turnaround time was a bit longer this summer due to [the division's] shortage of personnel. He explained that usually the division assigns one investigator daily to review the work permits, and one clerk. However, the [division] was short an investigator and there was difficulty keeping a clerk in that position. In some cases, the turnaround time was about three days, although every effort was made to respond within 24 hours.

MR. MASTRIANO, in further response to Representative Halcro, said there have been instances in which the applicant was denied. For example, he recalled a couple of instances in which minors were employed in establishments that sold alcohol; those minors weren't old enough to work in those establishments and thus were denied. He also recalled a denial for a child who wasn't old enough to work in the construction area.

Number 247

LARRY DeVILBISS, Wolverine Farm & Farm Bureau, testified via teleconference. Mr. DeVilbiss thanked Representatives Ogan and Rokeberg for working this out. Last week, he noted, this [legislation] was presented to the Alaska Farm Bureau, which supports the bill even though it is broader than it was originally. Mr. DeVilbiss pointed out that he'd read [Version 0] to allow the old option to be used if it works and if some elements of this [legislation] don't work in some industries. Mr. DeVilbiss said it seems to be a win-win situation.

REPRESENTATIVE ROKEBERG explained that the bill requires a preinspection, but [the division] can default to [subsection (a)], which requires sending in the application and obtaining approval; the youth can work until there is a response [from the division]. He agreed that this is a win-win situation.

REPRESENTATIVE MEYER moved to report CSHB 128 [version 22-LS0373\0, Kramer, 2/7/02] out of committee with individual recommendations and the pending fiscal note. There being no objection, CSHB 128(L&C) was moved out of the House Labor and Commerce Standing Committee.

CHAIR MURKOWSKI mentioned the possibility that HB 128 would receive an additional referral to the House Finance Committee due to the pending fiscal note.

#### **ADJOURNMENT**

There being no further business before the committee, the House Labor and Commerce Standing Committee meeting was adjourned at 5:10 p.m.