

**ALASKA STATE LEGISLATURE**  
**HOUSE SPECIAL COMMITTEE ON MILITARY AND**  
**VETERANS' AFFAIRS**

February 19, 2002  
3:32 p.m.

**MEMBERS PRESENT**

Representative Mike Chenault, Chair  
Representative Beverly Masek  
Representative Lisa Murkowski  
Representative Joe Green  
Representative Joe Hayes

**MEMBERS ABSENT**

Representative Pete Kott  
Representative Sharon Cissna

**COMMITTEE CALENDAR**

HOUSE BILL NO. 324

"An Act making supplemental and other appropriations for homeland security; and providing for an effective date."

- HEARD AND HELD

HOUSE BILL NO. 370

"An Act relating to the issuance of state-guaranteed revenue bonds by the Alaska Housing Finance Corporation to finance mortgages for qualifying veterans; and providing for an effective date."

- MOVED HB 370 OUT OF COMMITTEE

**PREVIOUS ACTION**

BILL: HB 324

SHORT TITLE:HOMELAND SECURITY APPROPRIATIONS

SPONSOR(S): RLS BY REQUEST OF THE GOVERNOR

Jrn-Date	Jrn-Page		Action
01/16/02	1972	(H)	READ THE FIRST TIME - REFERRALS
01/16/02	1972	(H)	MLV, STA, FIN
01/16/02	1972	(H)	GOVERNOR'S TRANSMITTAL LETTER
01/16/02	1972	(H)	SPREADSHEET BY DEPT. COST

01/16/02	1972	(H)	REFERRED TO MLV
02/12/02		(H)	MLV AT 3:00 PM CAPITOL 124
02/12/02		(H)	Heard & Held MINUTE(MLV)
02/19/02		(H)	MLV AT 3:00 PM CAPITOL 124

BILL: HB 370

SHORT TITLE: GUARANTEED REVENUE BONDS FOR VETERANS

SPONSOR(S): RLS BY REQUEST OF THE GOVERNOR

Jrn-Date	Jrn-Page		Action
02/01/02	2117	(H)	READ THE FIRST TIME - REFERRALS
02/01/02	2117	(H)	MLV, STA, FIN
02/01/02	2117	(H)	FN1: ZERO(REV)
02/01/02	2117	(H)	FN2: (GOV)
02/01/02	2117	(H)	GOVERNOR'S TRANSMITTAL LETTER
02/19/02		(H)	MLV AT 3:00 PM CAPITOL 124

**WITNESS REGISTER**

JULIE STINSON, ALMR Project Manager  
Information Technology Group  
Department of Administration  
5900 East Tudor Road  
Anchorage, Alaska 99507

POSITION STATEMENT: During hearing on HB 324, presented information and answered questions on the Alaska Land Mobile Radio (ALMR) project.

LARRY WALSH, Director/Chief Technology Officer  
Information Technology Group  
Department of Administration  
P.O. Box 110206  
Juneau, Alaska 99811-0206

POSITION STATEMENT: During hearing on HB 324, presented information and answered questions about the ALMR project.

DIANE SCHENKER, Criminal Justice Information Services Manager  
Division of Administrative Services  
Department of Public Safety  
5700 East Tudor Road  
Anchorage, Alaska 99507-1225

POSITION STATEMENT: During hearing on HB 324, explained Item 17 of the priority recommendations and answered questions on Items 99 and 101.

RANDY CRAWFORD, Colonel, Director  
Division of Alaska State Troopers  
Department of Public Safety  
5700 East Tudor Road  
Anchorage, Alaska 99507-1224

POSITION STATEMENT: During hearing on HB 324, explained Items 87-100 and Item 102; answered questions.

DEL SMITH, Deputy Commissioner  
Office of the Commissioner  
Department of Public Safety  
P.O. Box 111200  
Juneau, Alaska 99811-1200

POSITION STATEMENT: During hearing on HB 324, answered questions on Items 100-102.

JUDITH DeSPAIN, Deputy Executive Director  
Alaska Housing Finance Corporation  
Department of Revenue  
P.O. Box 101020  
Anchorage, Alaska 99510-1020

POSITION STATEMENT: Testified in support of HB 370.

#### **ACTION NARRATIVE**

TAPE 02-10, SIDE A  
Number 0001

CHAIR MIKE CHENAULT called the House Special Committee on Military and Veterans' Affairs meeting to order at 3:32 p.m. Representatives Chenault, Masek, Murkowski, Green, and Hayes were present at the call to order.

#### HB 324-HOMELAND SECURITY APPROPRIATIONS

Number 0053

CHAIR CHENAULT announced the first order of business, HOUSE BILL NO. 324, "An Act making supplemental and other appropriations for homeland security; and providing for an effective date."

CHAIR CHENAULT informed participants that the committee would consider Item 17, followed by Items 87-102 [of the document "Terrorism Disaster Policy Cabinet: Cost Estimates for Highest Priority Recommendations," dated 1/14/02]. First, however, he asked whether Ms. Stinson wished to add to her previous testimony.

Number 0247

JULIE STINSON, ALMR Project Manager, Information Technology Group, Department of Administration, informed members that Mr. Walsh would address a document regarding financial matters relating to the [Alaska Land Mobile Radio (ALMR)] project.

Number 0311

LARRY WALSH, Director/Chief Technology Officer, Information Technology Group, Department of Administration, referred to the two-page document, including a pie chart, mentioned by Ms. Stinson. [Titled "ALMR Project Funding Responsibilities," it was dated February 19, 2002.] Mr. Walsh explained that it shows what would be required to fund the ALMR project, from the state's perspective, and sets out the current financial plan.

MR. WALSH informed members that although the state funding responsibility would be \$55,300,000, the hope is that the majority would come through a federal request and that the total state funding would be \$6.1 million, of which \$2.3 million already has been appropriated. He acknowledged there may have been confusion at the previous hearing because of talk about a different funding requirement by the different partners in the project. Returning to the two-page document, he noted that the second page breaks out the \$3.8 million still required, in order to give an idea of when the [legislature] would receive a request for that amount. He added:

We believe we have the funds available already to move ahead with Phase 0 and Phase 1, to some extent, in that the balance of Phase 1 and Phase 2, 3, and 4 would require the [\$]3.8 [million] phased over the fiscal year 04 through 07. So, from a bottom-line point of view, we think it's important to move ahead with Phase 0.

We think Phase 0 will answer a lot of questions with [regard] to the business model - how the partners will participate in the partnership, [and] also illustrate for the participants ... the features of the technology and how they could take advantage of it - and that we, in fact, have the funds available to move ahead, but that we wanted to make sure the committee understood, Mr. Chair, ... the state funds that will be required in future years to complete the [\$]6.1

million necessary to move ahead for the full implementation.

Number 0584

CHAIR CHENAULT surmised that the foregoing was a best-guess scenario, hoping the state receives roughly \$43 million in federal matching grants or money from other sources.

MR. WALSH noted that provided at the previous hearing was a document showing the different funding sources being pursued. However, those funding commitments hadn't been nailed down.

Number 0660

CHAIR CHENAULT suggested if those funding sources weren't viable, then the state's share to fully implement the program according to the schedule would increase from \$6.1 [million] to the total estimated \$55 [million].

MR. WALSH offered his belief that the phases could stand alone, and that in the event of a funding shortfall, "we could regroup and reattack that problem" and a lot of the investment in place wouldn't go to waste.

CHAIR CHENAULT said he was just interested in the [state's] total cost, although it would be great if the federal matching money came through.

Number 0761

REPRESENTATIVE GREEN noted that Phase 0 is approximately "50-50" and asked why, after that, there is "this strong leveraging."

MS. STINSON answered that the initial funding had gone to the 90-10 split because there was reason to believe - through homeland security funding and other national programs - that this is possible. However, the money hasn't come through yet. She added, "Regardless of where we go from here, we need to have a business model in place when we do decide to implement the system so we know how it will be operated."

REPRESENTATIVE GREEN referred to concern expressed by Chair Chenault about what happens if this [money doesn't come through]. He asked whether the project may be phased out or whether the state will spend \$55 million more.

MS. STINSON said Chair Chenault's concern is valid. She added, "We can only speculate at this time, ... and that's what we're presenting you."

Number 0914

REPRESENTATIVE MURKOWSKI asked when there might be greater certainty regarding either the percentage that the federal government is willing to pick up or what the federal financial commitment will be to the project.

MS. STINSON offered that there will be a better idea of funding in the next six months, and more certainty about the percentages by the end of the year, after the concept demonstration.

Number 1008

REPRESENTATIVE MURKOWSKI asked what Alaska's competition is for these funding sources.

MS. STINSON responded that only perhaps five other states are ahead of the game in asking for money like this. Furthermore, Alaska is unique in its military involvement and its statewide approach to this project. There may be funding associated with the "public safety wireless network program" sponsored by [the U.S. Departments of] Treasury and Justice.

Number 1125

REPRESENTATIVE GREEN asked whether other states are showing this kind of leveraging, or whether the uniqueness is due to being a huge state with few people. He asked whether other states are projecting a 90-10 split as well.

MS. STINSON said she didn't know, but could get back with other states' requested percentages. She offered her understanding that unlike Alaska, however, many states have a tax base that could cover this with relatively little impact on constituents. Referring to a "funding options" page provided the previous week and alluded to by Mr. Walsh, she said some of those options would be explored.

REPRESENTATIVE GREEN asked whether other states' total budgets are similar to this, bigger, or smaller.

MS. STINSON answered that they are all relatively the same - in the hundreds of millions of dollars.

MR. WALSH, in response to a question from Chair Chenault, referred to the two-page handout and explained that the \$680,000 for FY 04 to complete [Phase 1] would not be required at this time to do the demonstration project. He added, "Our numbers are starting to firm up, and we may have led the committee ... or the legislature at some point to believe we needed that at this time." He acknowledged that a lot of information has been thrown at several committees. He clarified that the attempt today, with this pared-down approach, is to focus on what is needed to complete the demonstration project; that will answer a lot of questions and will illustrate "the partnership, the business model, and the features and functions that we can realize by pushing ahead."

Number 1464

CHAIR CHENAULT asked whether "local government users" refers to municipalities and boroughs.

MR. WALSH answered in the affirmative.

CHAIR CHENAULT asked whether it refers to Juneau, Fairbanks, [and Anchorage]. He referred to a memorandum from the Alaska Municipal League and said "their portion is [\$]29.4 million." Suggesting that the Kenai Peninsula Borough is probably ahead of some others regarding disaster planning, Chair Chenault said he didn't know what the "hit" on his borough would be, but it seems like a fairly big sum to be asking for. He expressed curiosity regarding how and why that number was arrived at.

MR. WALSH deferred to Ms. Stinson.

MS. STINSON answered that the "local government users" numbers came from the system design and analysis performed about a year and a half ago; local governments filled out a survey regarding types of equipment they had and radio usage they needed. She added that these ballpark numbers came from "the number of users out there, calculated by a radio cost." Ms. Stinson offered her belief that many government grants exist for user or subscriber equipment for emergency management and law enforcement. She added, "We ... have a couple of documents written already to assist local governments in finding and writing the grants."

CHAIR CHENAULT asked whether local municipalities know what they might be getting into by signing on regarding this project.

MS. STINSON replied that currently it isn't a mandate for local governments to use the system. The state needs a new system, however, because its system is aging. Furthermore, the U.S. Department of Defense (DOD) has a mandate, "and the other federal agencies need to move over to a new system." Although \$29 million looks like a big number, she expressed confidence that there is at least that amount of radio gear already owned statewide by local governments.

MS. STINSON suggested there are several options for local governments such as planning a transition to the new system as funds become available through grants. As their equipment ages, perhaps they could buy a new [Association of Public-Safety Communications Officials (APCO)] "P-25" that would be able to talk on the ALMR system as well, rather than older-style equipment. "We would integrate their existing system until they could afford - or not - getting on the backbone or the statewide system," she added.

Number 1633

MS. STINSON, in response to a question from Chair Chenault, referred to the pie chart showing [\$29,400,000] for local government [users] and [\$16,075,000] for federal non-DOD users. She explained:

Both of those numbers ... are figured by subscriber or portable units; they're not ... in the mix for paying for any of the infrastructure or backbone of the system. The state and the DOD - the Department of Defense - are trying to take on paying for the infrastructure between the two of them because they have the most sites out there. So the state and the Department of Defense are trying to ... get federal money to pay for ... all of the infrastructure.

Number 1703

REPRESENTATIVE GREEN noted that completion through Phase 1 would require state funding of about \$3 million [\$2.3 million for Phase 0 and \$680,000 for Phase 1]. If there were a problem at that point with cost sharing, for example, or if the program didn't appear as good as previously believed, he asked what the state would end up with. He offered his understanding from the previous hearing that the new equipment could "talk" to the old equipment, but that the old equipment "can't talk back."

MS. STINSON offered a scenario in which \$6 million has been received from the federal government to do Phase 1, which she called "a build-out of the northern area." She explained:

We would build out the north zone, and the people in the northern regions would have the new system online and available. ... Then we wanted to move on to Phase 2 but didn't have any money. What would happen is, our existing system would just be hooked into the newer-technology system. They could still talk. They don't lose features, but they don't have the new features available to them of the new radios.

REPRESENTATIVE GREEN suggested in that case, the state would be "down" a little bit of money, but communications would still be at least as good as currently.

MS. STINSON answered, "Yes, and in the Fairbanks region they would be much better. They would have interoperability amongst all the different agencies."

Number 1929

MS. STINSON, in response to a question from Representative Murkowski, explained that the \$29 million [for Phase 0] was based on sending out a survey and then having "state and Motorola individuals" go to communities and interview people to see what equipment existed, how many radios they had, and what their needs were. The system was designed around the radio count, not necessarily in the communities, but [in total]. Fairbanks is included in this number and is getting grants right now. Ms. Stinson added, "They have a million dollars, and they're looking for a little bit more for centralized dispatch, and then the radio equipment as well." She continued:

We get calls on a daily basis from even state agencies or some federal agencies, local governments, saying, "I understand you're putting in a system. What kind of radios should I buy? I'm going to get money in two years." Or, "I'm going to get money next year that only has a 12-month cycle on it; what should I buy?" And it's very difficult for us to tell them because we don't know what our implementation schedule is, because of the funding issues. And ... through the concept demonstration, [we're] hopefully going to find out many different things to bring back to local governments about the costs, the operating costs.

Basically, the radio costs should come down because more of this type of equipment's coming out, so that ... \$29 million may be very high.

Number 2054

MR. WALSH referred to a brochure in the packet titled "Alaska Land Mobile Radio Project"; on the back cover, there is a short listing of communities involved in the interviews. He offered his belief that over 50 separate interviews were taken during that design analysis, to get an understanding of what "kind of quantities and device counts" communities would bring to the table. He said that is where the \$29 million figure came from.

MR. WALSH further explained that in the past, communities have put in stand-alone systems that were unable to "interoperate." With this new approach, however, the state and military take care of the infrastructure, and then the community just has to worry about its devices to plug in to participate. He added, "So it actually affords them the opportunity to get onboard without having to worry about the backbone, if you will, as long as they buy radios that participate in this open standards that ... the partnership has adopted."

Number 2123

REPRESENTATIVE GREEN asked whether, midway through this four-year program, some equipment that has been purchased might start to become obsolete.

MR. WALSH noted that for a long project, a big concern for participants is that the standard will somehow change. He expressed confidence, however, that the APCO P-25 standard has "enough forward vision plus enough backward compatibility that we can bring this train along." He added:

If we leapt as far ahead as some of the vendors' products would allow us to do, we would leave a lot of the municipalities behind; so it's ... sort of a delicate balance to work both ends of that spectrum. We feel that the vendors that have signed on to participate in this P-25 standard understand that; they're already looking at some of the new capabilities of the digital technology that are just emerging, and ... that standard will actually evolve and give us a growth pattern to move forward that we

can feel comfortable that we have ... some headroom in.

Number 2123

REPRESENTATIVE GREEN asked whether there is the ability, then, for a feature to be added in the third year, for example, to bring [the first-year technology] forward to be compatible with [fourth-year technology].

MR. WALSH explained that many features coming online now are software-based, rather than requiring a hardware change. That flexibility adds a lot of efficiency and doesn't require the amount of investment seen in the past with older technology.

Number 2260

REPRESENTATIVE MURKOWSKI referred to testimony that Motorola [personnel] had gone out in the field. She sought assurance that this isn't a sole-source situation, but that a whole array of eligible contractors could participate.

MR. WALSH responded:

The P-25 standard that the partnership has adopted has a number of vendors that can participate with the handhelds and the mobile and console devices. And we believe that number will just continue to grow. In fact, a big part of ... one of the nine things that we want to prove in the Phase 0 demonstration is that different vendors' equipment can play in the system and ... we don't lose functionality. And so, therefore, we can tell a municipality, "Here's the list of vendors that you could procure through," so that we do leave ... the multiple-vendor options open, because we think that's very important ... to the credibility and to the liability of the system.

CHAIR CHENAULT thanked Mr. Walsh and Ms. Stinson.

Number 2392

DIANE SCHENKER, Criminal Justice Information Services Manager, Anchorage Office, Division of Administrative Services, Department of Public Safety, testified via teleconference regarding Item 17 of the priority recommendations, "Implement security measures to protect criminal history (APSIN) data and

conform to NCIC [National Crime Information Center] security policies."

MS. SCHENKER explained that Item 17 relates to improving security for the Alaska Public Safety Information System (APSIN), the statewide law-enforcement computer system. It would bring the state into [alignment] with new, higher Federal Bureau of Investigation (FBI) security standards with regard to preventing and responding to terrorist attacks or "any other unauthorized access, tampering, or destruction of these records." The budget is based on an estimate from other states - specifically Kansas, which has met the FBI's newer requirements - but is "scaled to Alaskan size."

Number 2429

MS. SCHENKER, in response to a question from Chair Chenault, explained that the three main areas that require upgrades involve encryption of data, user authentication, and intrusion detection. Today, data is encrypted only from APSIN to the FBI's NCIC system, whereas the future requirement is encryption from beginning to end. User authentication will be upgraded to something more reliable such as tokens, which require a password but generate many passwords that are only good for two minutes; another conceivable option is having people identify themselves at their devices through a biometric identification such as a fingerprint, although there may be technology constraints when the department is ready to go forward. And future intrusion detection will require "much more active, real-time types of detections," rather than passive logging and monitoring.

Number 2533

REPRESENTATIVE GREEN recalled that a few years ago, there was some problem with APSIN. He asked whether this system, even with the rotating password and so forth, allows the ability to go back and find out who entered the system, and for what sort of information.

MS. SCHENKER answered that no current capability would be lost, "and we're capable of always identifying who's made any inquiry, and we retain those logs for three years." This [system] would be in addition.

Number 2583

RANDY CRAWFORD, Colonel, Director, Division of Alaska State Troopers, Department of Public Safety (DPS), came forward to testify, noting that from the department's perspective, Item 87 would be removed because of timing issues with the academy. [Item 87 read, "Add 17 state troopers to handle increased security requirements statewide."]

Number 2783

COLONEL CRAWFORD turned attention to Item 88 ["Add 2 state troopers and two civilians for additional analysis and field surveillance capability"]. He suggested that two court-service officers need to be hired in places where troopers now serve process and so forth, to free up those who aren't entirely doing trooper work. He mentioned proactive intelligence gathering, for example, and the relationship with the FBI in that regard. For preventive law enforcement, he surmised that this would be some of the most valuable money spent.

Number 2898

COLONEL CRAWFORD turned attention to Item 89 ["Add 2 troopers to increase security in the Valdez area"]. He noted that there is a timing issue here as well because the next academy is in FY 03. In response to a question from Chair Chenault, he affirmed that there has been an increase in troopers [in Valdez], but said they are rotated from other areas, which taxes other [communities]; he indicated that practice may be ceasing.

CHAIR CHENAULT commended the department for its efforts since the September 11 [2001 terrorist attacks on the East Coast].

TAPE 02-10, SIDE B  
Number 2962

REPRESENTATIVE GREEN noted that the private sector is increasing security in [the Valdez area] as well. He asked whether this whole concept allows a fairly good interplay among jurisdictions, duties, or areas covered. He requested confirmation that there wouldn't be duplication.

COLONEL CRAWFORD answered that there is too much work for duplication. He pointed out that private security personnel often are reluctant to take action without a trooper on the scene. He mentioned cutbacks dating to the early 1990s that have affected the number of available personnel.

Number 2889

COLONEL CRAWFORD turned attention to Item 90 ["Homeland Security Supplemental Costs"]. He pointed out that after September 11, 2001, the entire "commission division" was put on standby for the first several days, incurring costs; in addition, state troopers involved in moving prisoners both in Alaska and in the Lower 48 were impacted because of the cancellation of all flights at the time. There also were exercises conducted on November 1 in conjunction with both the "FBI oversight" and pipeline security people. And because of the subsequent anthrax-related scares [and deaths elsewhere], substantial costs were incurred because the troopers coordinated and facilitated information as well as transportation to the labs; furthermore, masks and protective equipment were purchased, even though the purchases were temporary and stop-gap types of gear. Colonel Crawford indicated details could be provided.

Number 2792

COLONEL CRAWFORD addressed Item 91 ["Temporary checkpoint at Yukon River Bridge"]. He said this is fairly important to the department "because we're pretty much operating in the red because of this issue." He explained that this checkpoint has been very expensive, and is a result of responding [to the September 11 events]. In response to a question from Representative Murkowski, he explained that the Dalton Highway has been handled by the Fairbanks Rural Unit - troopers stationed in Fairbanks who are assigned to this unit and whose presence there is greatest during the tourist season. That has been beefed up substantially [since September 11].

Number 2724

REPRESENTATIVE MURKOWSKI expressed her concern about having [public] access on the Dalton Highway, which just goes up to a private facility, although perhaps there are a few villages along the way. She suggested perhaps the first mistake was having the federal government pay to pave it.

Number 2702

REPRESENTATIVE GREEN turned attention to Item 92 ["Add 6 troopers and 1 civilian for a permanent post south of the Yukon River Bridge on the Dalton Highway"]. Comparing figures with the request in Item 89 for two troopers, he asked why the amount for Item 92 appears double what it would seem.

COLONEL CRAWFORD answered that the trooper posts on all the highway systems ideally would involve a sergeant and six troopers, to allow 24-hour coverage. Item 92 has "dusted off" the original Dalton Highway proposal for a trooper post with six troopers, so there would be a trooper on duty somewhere on the highway 24 hours a day. The difference is that Valdez is part of the Glennallen post. Regarding the dollar difference, there would need to be housing [provided for the troopers] on the Dalton Highway, which has no housing.

COLONEL CRAWFORD, in response to a question from Chair Chenault, said Item 92 is for a trooper post similar to that at Homer, Seward, or Girdwood, with the ability to respond by road or air to incidents up and down the highway north of the bridge. He added that it needs to be pushed out a year because of the budget timing, if considered. In response to a further question regarding ticket revenues, he said there would be commercial enforcement along that highway during the winter, when there is substantial commercial traffic. Furthermore, the troopers would be given responsibility for the villages to the east of the Yukon River bridge, in the Fort Yukon area and so forth. "There would be plenty to do, I think," he concluded.

Number 2539

COLONEL CRAWFORD turned attention to Item 93 ["Add 6 state troopers for ground patrols along the pipeline"]. He said it isn't possible during the FY 02 supplemental budget, but provides 24-hour coverage for the Delta Junction and Glennallen posts and includes an additional post in the Paxson area; those would be in addition to the existing posts, to allow 24-hour coverage along the Richardson Highway. Referring to overtime worked, he pointed out that since security was increased after September 11, a couple of people ended up being deported by the INS [Immigration and Naturalization Service] and there was follow-up by the FBI, just based on troopers' ability to "get to a civilian who had someone cornered they thought was suspicious, foreign nationals ... this year, on two occasions after 9/11 that wound up not having a good reason to be in Alaska."

Number 2461

COLONEL CRAWFORD addressed Item 94 ["Add 29 troopers and 20 civilians in FY03 to handle increased security requirements statewide"]. He said this would be pushed to the '04 budget because he couldn't find, hire, and train that many people on

the original schedule. [Item 94] would allow trooper posts around the state to meet 24-hour coverage and "the requests placed on us ... by the committees that put together the homeland security package." In response to a question from Chair Chenault regarding the 20 civilians, he said as trooper posts are increased, there needs to be enough clerical support so that troopers aren't doing clerical tasks [instead of their intended work]. Although the [current] infrastructure could handle an initial increase of 30 [troopers], there will need to be an increase in [clerical support] beyond that in order for the troopers to be effective.

Number 2371

COLONEL CRAWFORD turned attention to Item 95 ["Add 4 troopers in FY03 for increased field surveillance and analysis capability"]. He said this increase is what the department would ideally like to end up with in the intelligence unit in Anchorage. Although field troopers and agencies, including federal agencies, route [gathered intelligence information to the DPS], he indicated the department doesn't have the capability to gather that intelligence or do surveillance itself; he cited wiretapping as an example.

CHAIR CHENAULT asked whether this would be in addition to [Item] 88, which is the two troopers for additional analysis.

COLONEL CRAWFORD answered that it would be part of the same unit. As with some other requests, this will be a FY 04 request because of the logistics of hiring and training. He added:

This is where we'd like to see that unit from [Item] 88 ultimately expand to. They would not necessarily be in Anchorage. We would probably assign them to the detachments, but specifically for intelligence purposes. I've kind of got philosophical issues with ... having troopers sitting in Anchorage someplace - no offense to any Anchorage Representatives, Mr. Chairman.

Number 2256

COLONEL CRAWFORD explained Item 96 ["Add 6 constables and support for regional hub areas"], saying it is a continuation of the rural public safety officer program introduced by Senator Halford. It would free up troopers currently in Western Alaska.

Number 2234

COLONEL CRAWFORD addressed Item 97 ["Add 20 VPSOs and associated support"]. Referring to the village public safety officers (VPSOs), he offered the department's philosophy that public safety should be "dealt out equally across the state." He pointed out that even small communities can have anthrax scares, for example, and that it is more difficult to respond in remote locations.

REPRESENTATIVE GREEN recalled hearing from rural legislators that VPSOs are "scarce and stretched in the villages." He asked whether there has been any thought that with some additional training, the VPSOs' abilities would be expanded, or whether the VPSO positions [already] cover as much as is necessary in these villages.

COLONEL CRAWFORD replied that he feels strongly that they do what needs to be done currently. He added:

One of the issues that the program dances around very well, and has for 20-some years, is that we have a nonprofit, nongovernmental agency that is technically supervising them. I feel very strongly that turning professional law enforcement over to private agencies that don't have a responsibility to answer to the public is a very bad idea. Right now, the way the ... substance of the program is set up is that they are employed by a civilian agency, but their oversight, such as it is, is done by the troopers for criminal and law-enforcement activities. To give them any more authority in law enforcement - especially when it comes to reoccurrence with firearms and use-of-force training - is wrought with danger, in our opinion.

Number 2090

COLONEL CRAWFORD turned attention to Item 98 ["Continue to practice and expand TAPS defense drills through joint annual training with the State Troopers & FBI"]. He noted that this is a personal preference on this list. There has been a gearing up to address Trans-Alaska Pipeline System (TAPS) problems. He explained that there have been repeated drills with private security and some federal agencies. About two years ago, the FBI had approached [DPS], along with Alyeska [Pipeline Service Company] security, to discuss a large exercise with federal agencies and the state and local response [teams] regarding the

pipeline. For budgetary reasons, this coming summer was selected; he indicated there would be exercises in early June of 2002.

COLONEL CRAWFORD pointed out that the troopers are an intricate part of any pipeline response or oil spill; he cited the criminal prosecution regarding [the Exxon Valdez oil spill] as an example where the state, rather than the federal government, took action. He indicated the FBI has informed the state that it will expect the state to "hold the fort" on any major incident for 48 hours or more. He mentioned that the upcoming exercise would actually begin in Salt Lake City and would include NORAD [North American Air Defense Command], use of an aircraft for a simulated hijacking, and coordination with Canadian agencies including the RCMP [Royal Canadian Mounted Police], along with SWAT [Special Weapons and Tactics Team] teams brought in from Utah and California by the FBI. He said the cost is rather high, unfortunately. He emphasized the importance of [this exercise] to integrate the state teams with the FBI teams from the West Coast, in particular, to be able to communicate with Alyeska and the security people, and to work together. He noted that [the out-of-state agencies] hadn't adhered to the [DPS] requests regarding timing or fiscal issues.

Number 1754

REPRESENTATIVE MURKOWSKI asked what funding, if any, the FBI is contributing to this training. She also asked whether it is truly annual or will be a one-shot deal.

COLONEL CRAWFORD answered that the 64.9 [thousand dollars] for the first year is entirely for this exercise. The request in the '03 budget onward relates to an exercise involving the APD [Anchorage Police Department] tactical team, one from Fairbanks, the FBI's small tactical team here, and the troopers' teams. Thus the subsequent requests are to continue this training, probably three times a year on a smaller scale at different areas along the pipeline, using different scenarios, with the troopers as the lead agency.

COLONEL CRAWFORD said contributions from elsewhere would include aircraft and logistical support, as well as probably some training. At this point, no travel or per diem has been offered, although he indicated he didn't know whether something would be offered if the state backed out [regarding funding]. Colonel Crawford said much of this [request] is for personal services because all three tactical teams will be there for 12-

to 14-hour days in order to accomplish the mission of the exercise. He indicated a small piece of [the request] is for travel and per diem.

Number 1693

COLONEL CRAWFORD informed members that he would call on Ms. Schenker to address Item 99 ["Provide four border crossings with access to criminal information (APSIN and NCIC)"]. He offered a brief outline of what occurs at the border currently, noting that customs officials do have access to APSIN and NCIC through the state system, although the system is old and slow.

MS. SCHENKER offered to respond to questions regarding costs. She agreed that the purpose is to beef up access to the law-enforcement computer system, noting that any agency with authorization can access, through APSIN, the FBI's National Crime Information Center (NCIC).

REPRESENTATIVE MURKOWSKI inquired whether any of the sharing benefits Canada and if any sharing of costs could be involved.

COLONEL CRAWFORD answered that Canadian Customs is located farther in, at Beaver Creek, and is well connected through its own system. Furthermore, if there is a problem or trouble identifying someone, Canadian Customs just sends that person back [across the border]. By contrast, [U.S. Customs] is more often dealing with its own citizens.

Number 1499

COLONEL CRAWFORD turned attention to Item 100 ["Provide modified Level B HazMat [hazardous materials] suits for 480 State and local law enforcement personnel (Phase 1 of 3)"]. He said this is money set aside to let all law enforcement - not just the troopers - have this equipment; it was a recommendation from "the committees." In response to Chair Chenault's remark that the \$1,000 price seems steep, Colonel Crawford noted that inclusion of a gas mask with a full-hazard filter, at the cost of about \$350 each, drives it up substantially. However, anthrax and other biological terrorism must be dealt with, in addition to chemical weapons.

REPRESENTATIVE MURKOWSKI returned to the issue of sharing, noting that this provides [protective] suits for local law enforcement as well. She asked whether [the state] would receive anything from [local governments] in this regard.

COLONEL CRAWFORD answered that this came from "the committees that worked on the overall security measures, and not necessarily from the Department of Public Safety." He then explained:

The cities were not approached to contribute a matching fund towards this, if that was the question. But what we get in return is, the cities in almost all law-enforcement capacity, across the state, work without agreement and outside their jurisdiction ... at the troopers' request. And that was one of the things we had hoped to accomplish [in] places where the troopers are fairly thin, by being able to provide this kind of equipment, to ask the Wrangell Police Department [for example] to go do something outside the city limits, and that they would readily do those things if they had the proper equipment.

Number 1282

DEL SMITH, Deputy Commissioner, Office of the Commissioner, Department of Public Safety, explained it as a "federal funding pass-through" as part of a federal grant, which would come through the Department of Military & Veterans' Affairs (DMVA), to his belief. It isn't a state general fund (GF) request.

CHAIR CHENAULT suggested, however, that the equipment must be taken care of and that there will be upkeep costs, even if minimal.

Number 1217

CHAIR CHENAULT turned attention to Item 101 ["Public safety information system (APSIN) programming and data charges, recruitment for additional troopers, support for Lab Services and Search and Rescue, risk management and vehicle costs"].

MS. SCHENKER clarified that she would address one portion, the APSIN programming. She said the funds would be used to support computer analysts to modify the programs in APSIN and keep up with the growing demand for criminal-history checks. She pointed out that since September 11, there have been initiatives at both the state and national levels that likely will increase the number of background checks, "which are growing pretty quickly anyway." She also reported that every year, "we have to make changes to APSIN to comply with the various specifics of

each different type of background check." This would support that work.

MR. SMITH pointed out that recruiting additional troopers will require more time and energy in trying to recruit all over the country; there is additional funding for that. [Item 101] also includes support for lab services, which is the addition of another clerical position. He noted that in fourteen years, staff numbers have grown and demands have increased. Requests for information from defense attorneys and others overload the system. There are also demands for reports and information. Mr. Smith said he felt it made more sense to have a clerical person make copies, provide information, and gather information for discovery [in legal cases], rather than have the "bench-work crime lab people" do it. If troopers are added, there will be additional impact on the lab as far as evidence flowing into it, he noted, which was the rationale for requesting the additional [clerical] position. Mr. Smith expressed hope that the costs [in Item 101] for search and rescue, risk management, and vehicles were self-explanatory.

Number 1028

COLONEL CRAWFORD addressed Item 102 ["Purchase computer hardware and software for an expanded intelligence system to allow law enforcement agencies to receive, store, analyze and disseminate information"]. He indicated this is tied directly to the expansion of the troopers' intelligence unit, for analysis purposes on a larger scale. The ongoing costs relate to "greater and easier access to the feds." He added that the current intelligence system has a program that is obsolete.

Number 0953

REPRESENTATIVE MURKOWSKI returned attention to Mr. Smith's comments about recruitment for additional troopers. She offered her tabulation indicating the state would be looking for 66 troopers, 6 constables, and 20 VPSOs. She asked, "How in the world are we going to find these people?" She remarked that she believes the need is out there, but that it has been like pulling teeth to get qualified men and women to serve. She asked, "What can we do to enhance the recruitment?" She acknowledged that the response would be just an opinion.

MR. SMITH answered that [the department] has recognized that in recent years. It used to have public service ads on at 3 a.m. or 4 a.m., which usually didn't reach the desired demographics.

Therefore, now there is prime-time advertising, for the most part developed by "our internal folks that do video." He added, "We are attending job fairs, tracking people down, I guess, almost." Mr. Smith said it is an daunting task because APD is recruiting at the same time, even though different kinds of individuals may be attracted to be Alaska State Troopers or fish and wildlife [officers] because of the ability to perhaps travel more in the state and change assignments periodically. He deferred to Colonel Crawford.

Number 0758

COLONEL CRAWFORD offered that a number of things have been done differently the last couple of years. For recruiting field troopers, for example, there has been radio advertising in rural areas. When the committees came up with the desired number of personnel, the department was very clear that it couldn't hire more than 30 additional troopers, with normal attrition, in any one year. It is expensive to advertise; even when the department is innovative, [funding] is stretched to the limit. Colonel Crawford related his belief that this [30-trooper addition] is a realistic goal if the legislature is interested in exploring it, although 35 would be over the limit for both training and recruitment capacity.

Number 0614

REPRESENTATIVE MURKOWSKI asked how many people the [training] academy can hold in one session.

COLONEL CRAWFORD answered that under a best-case scenario, though not the current scenario, "we could train 85 people at a time without dealing with any outside bed space." He added that classroom space is right at 100, "and we probably could wedge in another 10 if we had to," but that is the upper limit and would be a problem for any extended training. He concluded, "We can comfortably seat and train 85 people at a time."

MR. SMITH added that Alaska State Troopers and municipal police are trained in the same academy, so all that space isn't readily available because of the demands for providing training to a number of other places. The APD has its own training academy, and there is an academy operating in the Fairbanks area, but still a "substantial number of municipal individuals" train in Sitka [at the state academy]. Furthermore, some individuals who aren't hired by any current law-enforcement agency pay their own way, which is why it is called "Alaska law enforcement training"

as opposed to "the trooper academy," which it was referred to previously.

COLONEL CRAWFORD concurred, adding, "We start each class with about 50 individuals. To bump that to an additional 15 troopers on top of that is not an unrealistic expectation. And we run these classes twice per year."

Number 0455

CHAIR CHENAULT thanked participants and brought testimony to a close for the day. [HB 324 was held over.]

CHAIR CHENAULT called an at-ease at 5:02 p.m. [Tape ends early; no testimony is missing.]

TAPE 02-11, SIDE A  
Number 0001

CHAIR CHENAULT called the meeting back to order at 5:07 p.m.

HB 370-GUARANTEED REVENUE BONDS FOR VETERANS

CHAIR CHENAULT announced the final order of business, HOUSE BILL NO. 370, "An Act relating to the issuance of state-guaranteed revenue bonds by the Alaska Housing Finance Corporation to finance mortgages for qualifying veterans; and providing for an effective date." He noted that online from the Alaska Housing Finance Corporation (AHFC) were Judith DeSpain and John Bitney.

Number 0098

JUDITH DeSPAIN, Deputy Executive Director, Alaska Housing Finance Corporation, Department of Revenue, testified via teleconference in support of HB 370. She explained, "Over the years, the veterans' mortgage program and the ability to issue these tax-exempt bonds [have] given a lot of veterans some lower-cost-interest home loans. There's no difference in the program, and it's been how we've delivered this in the program." She stated total support for the bill.

Number 0144

REPRESENTATIVE MURKOWSKI referred to the transmittal letter from Governor Knowles, dated January 29, 2002, which says this is the fifth such bond approval. She surmised, based on Ms. DeSpain's

testimony, that this is "the same as we have approved in the prior four separate elections on these veterans bonds."

MS. DeSPAIN concurred.

Number 0190

REPRESENTATIVE GREEN voiced support for the bill. He asked how the default rate compares generally to that for "the average loan."

MS. DeSPAIN said she didn't know that she'd looked at that data specifically regarding veterans, but offered, "I would say it's about the same. ... Our default rate right now is very low. It's about 3 percent."

Number 0274

REPRESENTATIVE HAYES noted that the [governor's transmittal letter] says the federal government might be looking at expanding this program beyond [those who served in the military before] January 1, 1977. He asked whether Ms. DeSpain or Mr. Bitney had information about that.

MS. DeSPAIN explained:

When the federal legislation went through in the early '80s, there were five states that went out, under the IRS [Internal Revenue Service] code, and created mortgage programs that took advantage of tax-exempt bonds. ... About three years later, then, the IRS changed its mind but grandfathered in the five states, which Alaska is one of. And the "qualified veteran" definition is that you had to have been in the service prior to 1977 [and] out of the service no more than 30 years. So basically, without having a sunset date, by the definition it does sunset.

So we're working hard right now, in Congress, to get the support for doing away with that definition and allowing all of those people that were part of wars or [Desert Storm] ... and others, so that they could take advantage of these bonds.

Number 0525

REPRESENTATIVE HAYES moved to report HB 370 from committee with individual recommendations and the attached fiscal notes. There being no objection, HB 370 was moved out of the House Special Committee on Military and Veterans' Affairs.

**ADJOURNMENT**

Number 0631

There being no further business before the committee, the House Special Committee on Military and Veterans' Affairs meeting was adjourned at 5:14 p.m.