

# FISCAL NOTE

**STATE OF ALASKA**  
**2004 LEGISLATIVE SESSION**

Fiscal Note Number: 1  
 Bill Version: CSHB 514(JUD)  
 (H) Publish Date: 3/3/04

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Administration  
 Title An Act relating to child support enforcement RDU Risk Management  
 Component Risk Management  
 Sponsor Rep. Kott, Coghill, et al  
 Requester \_\_\_\_\_ Component No. 71

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	*	*	*	*	*	*

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
<b>TOTAL</b>	*	*	*	*	*	*

Estimate of any current year (FY2004) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

State civil liability exposure and the amount Risk Management might ultimately pay in future liability claims could be significantly impacted by the proposed AS 25.27.020(f) enabling CSED investigators to exercise powers of peace officers including carrying firearms.

The authority to carry firearms in the performance of duty is one of, if not the highest, liability risk activity of all state agency operations. The use of deadly force with its inherent ability to inflict catastrophic injury has the potential to generate enormous tort liability exposure. The state paid its largest individual personal injury claim of \$7.3 million (not including significant defense costs) for settlement of neck down paralysis of an individual (later discovered to be unarmed) shot after apparently failing to respond to a trooper's command.

Prepared by: Brad Thompson, Director Phone 465-5723  
 Division Risk Management Date/Time 2/23/04 8:16 AM  
 Approved by: Mike Miller, Commissioner Date 2/23/2004  
 Agency Department of Administration

**FISCAL NOTE #1**

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**BILL NO. CSHB 514(JUD)**

**ANALYSIS CONTINUATION**

It is arguably less likely that any action by an individual child support enforcement agency investigator should evolve into such a serious incident, yet the state has paid less significant damages for alleged improper use of a weapons arising from confrontations escalating from routine traffic stops.

Should this statutory change be implemented, it is strongly urged the required minimum level of experience be the same required of all other state police professionals (Alaska Police Standards Council) and that significant effort be first committed to the development of policies and procedures for the training, monitoring and supervision of all investigators before permission is actually granted under this new authority to carry firearms.

No actual cost is explicitly presented but, in future fiscal years, Risk Management's liability premium assessments to the Department of Revenue will reflect any costs actually realized by this new exposure as premiums charged each agency are developed from actual claims expenses incurred.

The extent of such cost is difficult to forecast due to the uncertainty of claim that may be filed, the severity of damages that could be awarded, or the amount of litigation costs incurred defending future liability claims related to this new activity. The fiscal impact is indeterminate for a low frequency yet potentially high severity risk.