

HOUSE FINANCE COMMITTEE
April 13, 2004
3:25 P.M.

TAPE HFC 04 - 80, Side A
TAPE HFC 04 - 80, Side B
TAPE HFC 04 - 81, Side A

CALL TO ORDER

Co-Chair Williams called the House Finance Committee meeting to order at 3:25 P.M.

MEMBERS PRESENT

Representative John Harris, Co-Chair
Representative Bill Williams, Co-Chair
Representative Kevin Meyer, Vice-Chair
Representative Mike Chenault
Representative Eric Croft
Representative Hugh Fate
Representative Richard Foster
Representative Mike Hawker
Representative Reggie Joule
Representative Bill Stoltze

MEMBERS ABSENT

Representative Carl Moses

ALSO PRESENT

Representative Norm Rokeberg; Janet Seitz, Staff,
Representative Norman Rokeberg; Pat Davidson, Legislative Auditor, Legislative Audit Division; Pete Ecklund, Staff,
Representative Bill Williams; Jim Pound, Staff,
Representative Hugh Fate; Annette Kreitzer, Chief of Staff, Office of the Lieutenant Governor; Scott Clark, Notary Administrator, Office of the Lieutenant Governor; Portia Parker, Deputy Commissioner, Department of Corrections; Cody Rice, Staff, Representative Carl Gatto; Cindy Cashen, Mother's Against Drunk Driving (MADD), Juneau; Denny Dewitt, Special Assistant, Office of the Governor; Janet Burleson-Baxter, Legislative Liaison, Office of the Commissioner, Department of Natural Resources; Jim Dieringer, Staff, Representative Hugh Fate

PRESENT VIA TELECONFERENCE

William Satterberg, Attorney, Fairbanks; Ian Marples, Alcohol Counter Measure Systems, Anchorage; Daine Wendlandt, Assistant Attorney General, Department of Law, Anchorage;

Ralph Fuller, Matsu; Jess Christianson, Matsu; Israel Nelson, Matsu; Janet McCabe, Partners for Progress, Anchorage; Dick Mylius, Deputy Director, Division of Mining Land and Water, Department of Natural Resources, Anchorage

SUMMARY

HB 319 An Act relating to the disposal of state land by lottery; and relating to the disposal, including sale or lease, of remote recreational cabin sites.

HB 319 was HEARD and HELD in Committee for further consideration.

HB 342 An Act relating to driving while intoxicated; and providing for an effective date.

HB 342 was HEARD and HELD in Committee for further consideration.

HB 418 An Act extending the termination date of the Real Estate Commission; and providing for an effective date.

CS HB 418 (FIN) was reported out of Committee with a "do pass" recommendation and with a new fiscal note by the Department of Community & Economic Development.

HB 439 An Act relating to the authority to take oaths, affirmations, and acknowledgments in the state; relating to notaries public; relating to fees for issuing certificates with the seal of the state affixed; and providing for an effective date.

HB 439 was HEARD and HELD in Committee for further consideration.

HB 484 An Act imposing a correctional facility surcharge on persons convicted of a crime under state law, and on persons whose probation is revoked; relating to fees and expenses for interstate transfer of probation or parole; and providing for an effective date.

CS HB 484 (JUD) was reported out of Committee with "individual recommendations" and with a new zero note by the Alaska Court System, a new fiscal note by the Department of Corrections and fiscal note #1 by the Department of Law.

CS SB 301(FIN)

An Act relating to the Alaska Pioneers' Home and the Alaska Veterans' Home; relating to eligibility for admission to the Alaska Pioneers' Home and Alaska Veterans' Home; relating to the eligibility of residents for the Alaska Pioneers' Home and the Alaska Veterans' Home for general relief assistance; relating to state veterans' home facilities; making conforming amendments; and providing for an effective date.

HCS CS SB 301 (FIN) was reported out of Committee with an accompanying Letter of Intent.

#SB301

HOUSE CS FOR CS FOR SENATE BILL NO. 301(FIN)

An Act relating to the Alaska Pioneers' Home and the Alaska Veterans' Home; relating to eligibility for admission to the Alaska Pioneers' Home and Alaska Veterans' Home; relating to the eligibility of residents for the Alaska Pioneers' Home and the Alaska Veterans' Home for general relief assistance; relating to state veterans' home facilities; making conforming amendments; and providing for an effective date.

Vice Chair Meyer MOVED to report HCS CS SB 301 (FIN) out of Committee with the accompanying Letter of Intent and fiscal note. Co-Chair Williams OBJECTED for the purpose of discussion.

DENNY DEWITT, SPECIAL ASSISTANT, OFFICE OF THE GOVERNOR, explained that the Letter of Intent would outline the intended process used to control admissions at veteran homes. He indicated that 75% of the residents would be veterans and that the balance would be filled using the current Pioneer Home waiting list plan. The Senate Health, Education and Social Services Committee requested that a Letter of Intent accompany the bill, articulating the Governor's support.

Co-Chair Williams WITHDREW his OBJECTION. There being NO further OBJECTION, the Letter of Intent was adopted and attached to the bill.

HCS CS SB 301 (FIN) was reported out of Committee with the Letter of Intent and fiscal note #1 by the Department of Health & Social Services.

#HB342

HOUSE BILL NO. 342

An Act relating to driving while intoxicated; and providing for an effective date.

CODY RICE, STAFF, REPRESENTATIVE CARL GATTO, spoke to CS HB 342 (JUD). He noted that the legislation would make several changes to Driving Under the Influence (DUI) law. The bill would set out a tiered fine schedule increasing fines and would add other sanctions, in particular the ignition interlock device. The bill clarifies that the ignition interlock could only be Court-ordered as part of the offenders sentence for vehicles driven on roadways and requiring a license.

Mr. Rice pointed out that fines would be increased for those offenders who have between 0.16 and 0.24 blood alcohol content (BAC); establishing an additional increase for offenders with a 0.24 or higher BAC. It would also add the ignition interlock for six months. He continued, HB 342 contains provisions for limited licensing under certain circumstances for misdemeanor offenders receiving licenses under certain situations.

Representative Chenault asked the costs associated with the interlocks and installation. Mr. Rice responded that the quoted prices range around \$3 dollars a day. He added that in current State law, a provision does exist which allows ignition interlocks to be subtracted from the fines.

Representative Stoltze remembered that in 1989, the Legislature passed another interlock device legislation. The language was permissive and many concerns had been voiced regarding the technology of those devices and asked if it had been implemented. Mr. Rice replied that it had been attempted in Anchorage; however, judges were hesitant to apply the ignition locks until they saw sufficient success. Mr. Rice pointed out that ignition interlocks are used worldwide despite weather conditions.

Representative Chenault asked if snow machines would be exempt. Mr. Rice replied that snow machines, off road vehicles and vehicles not intended to be driven on highways would be exempt from requirements for ignition interlocks.

Representative Croft understood that the legislation would remove the discretion for those offenders registering twice over the legal limit. Mr. Rice acknowledged that was correct and would be required for offenders wanting to get their limited license back. Under the bill, offenders convicted of multiple misdemeanors who want to receive a limited license, would be required to use ignition interlock as well as those with double or triple offenses.

Representative Rokeberg responded. [In audible - tape malfunction].

REPRESENTATIVE NORMAN ROKEBERG spoke to work draft, #23-LS1292\S, Luckhaupt, 4/9/04. (Copy on File). He stated

that the draft was similar to Representative Gatto's bill and that he hoped the efficiency and activity of the two bills could blend together.

Representative Rokeberg pointed out that HB 175 has a House Judiciary Committee referral. He mentioned that there are statewide witnesses on-line that want to testify on the bill before consideration of marrying the two is discussed.

Representative Rokeberg referenced Page 4, Section 3, stating that it would add the provision for limited licensure for those people under that jurisdiction and who successfully completed a wellness profile for a limited license and would qualify people in that program. [In audible].

Representative Rokeberg noted that Page 7, Section 7, would provide the same benefit to those under the jurisdiction of the therapeutic court to provide [in audible] successfully completing the program. The idea is that it would give judges working under the therapeutic court model, the right to limited licensure.

Representative Rokeberg noted in HB 4 passed in 2002, the Legislature spoke strongly about raising the DUI fines from \$500 to \$1500 dollars. He thought that there had been an oversight in that legislation, which allowed judges to suspend a portion of the fine. A judge could be preempted. There can be delays, which tend to happen. The courts do have the authority and discretion to lower the fine below that level. Section 3, Lines 12-22, changes the minimum fine language. Section 4 supplies the same language for the felony provisions in law.

Representative Rokeberg noted the final change in Section 5, Page 6, Line 10, which provides the definition of a previous conviction and provides a five-year look-back. HB 4 implements a ten-year look-back phased in with a 10-year window for Class C felonies. He pointed out that was the legislative intent for HB 4. Representative Rokeberg noted that the House Judiciary Committee had focused on the felony aspect.

Representative Rokeberg directed the Committee's attention to language on Page 4. He spoke about the need for compassion for these offenders. The fines and levels of incarceration have been raised significantly. He mentioned offenders who have a substantial period of time between their DUI occurrences, pointing out that patterns and lifestyles can change tremendously during a 15-year look-back period. The work draft provides that person a second chance and their other offenses would have had to occur outside of that 15-year window.

Representative Rokeberg voiced his appreciation for the consideration of the draft and requested the process be expedited.

Co-Chair Harris asked which Committee the bill that Representative Rokeberg was attempting to place into HB 342 was currently located. Representative Rokeberg stated that it is currently in the House Judiciary Committee and also before the House Finance Committee in the draft "S" version of HB 342.

Co-Chair Harris asked if Representative Rokeberg's was concerned that his bill would not move from the House Judiciary Committee. Representative Rokeberg responded that Committee is "bogged down" and he thought that it would be more efficient to accomplish his intent in the proposed manner. Co-Chair Harris questioned if there were legal rules regarding such action, understanding that there is nothing that cannot be changed.

WILLIAM SATTERBERG, (TESTIFIED VIA TELECONFERENCE), ATTORNEY, FAIRBANKS, testified that the bill has some good attributes. He made recommendations, which he believed would make the legislation more helpful. Mr. Satterberg agreed with Representative Rokeberg's discussion. He elaborated that one of his clients, 67 years old, had a DUI over thirty years ago, receiving another in 2002 and as a consequence of that, spent 60-days in jail. He presently is looking at a hefty fine and a three-year loss of license. Mr. Satterberg testified that the concept of the look-back provision would be admirable, and agreed with Representative Rokeberg that it had probably been an oversight.

Mr. Satterberg requested that the Committee make a retroactive provision for those people caught in the interim period. The active date in statute is January 1, 2005. He recommended that it should be moved up to July 1, 2004. Those fines disappear into a "black hole" of the general fund. He strongly urged that the mandatory fines be used for rehabilitation purposes.

RALPH FULLER, (TESTIFIED VIA TELECONFERENCE), MATSU, elaborated on a DUI he received thirty years ago, with another four years ago and now a recent one. He lost his license for three years, which has been very difficult since he is self-employed. He requested that the July 1st date be added to the bill as it would help offenders get back to a productive life.

ISRAEL NELSON, (TESTIFIED VIA TELECONFERENCE), MATSU, voiced support for the bill as it would further impede people from using their vehicles while under the influence of alcohol. He urged that the fines be used for treatment of those people.

JANET MCCABE, (TESTIFIED VIA TELECONFERENCE), PARTNERS FOR PROGRESS, ANCHORAGE, voiced support for the work draft version "S". She noted that Partners for Progress is a non-profit group that supports development of therapeutic courts throughout the State. She commented that limited licensures would encourage the stop action of repeat offenses, emphasizing that these programs work. She stressed that therapeutic courts are three times more effective for stopping alcoholic crimes and are far less expensive than incarceration. Ms. McCabe supported the idea of a limited licensing.

CINDY CASHEN, MOTHER'S AGAINST DRUNK DRIVING (MADD), JUNEAU, testified that MADD supports both pieces of legislation. MADD supports measures that would enhance or escalate penalties for drivers convicted DUI with blood alcohol content at the time of arrest at least double or higher.

She pointed out that over 13,000 people were killed in alcohol related accidents last year. In over half of those crashes, the driver had an alcohol level of over 0.15. At that range, the driver is 384 times more likely to get into a fatal crash than a driver that has had nothing to drink. Additionally, one-third of those arrested for DUI, have had a previous DUI.

In 2001, in Alaska, there was a total of 4,918 people arrested for drunk driving. Of that number, over 1,800 were repeat offenders. In 2000, over 1,400 were repeat offenders. Ms. Cashen pointed out that these numbers are high, advising that the ignition interlock works. Studies have proven that there could be up a 50%-90% reduction on offenders fined and that have the device in place as compared to those who do not.

Ms. Cashen pointed out that MADD supports wellness and therapeutic courts and anything else that would help encourage an 18-month program. She addressed the look-back concept, pointing out that those with their first DWI thirty-years ago and receiving another and then another; that according to the National Highway Traffic Safety Board, the average amount of time that it takes to get caught for drunk driving is around ten years. She urged that the look-back stay at a minimum of fifteen years.

HB 342 was HELD in Committee for further consideration.

#HB418

HOUSE BILL NO. 418

An Act extending the termination date of the Real Estate Commission; and providing for an effective date.

REPRESENTATIVE NORMAN ROKEBERG, SPONSOR, explained the bill noting that AS 08.88.010 has established the Real Estate Commission (REC), providing for appointment of members by the Governor. The Commission consists of five real estate brokers or associate brokers, one from each of the four judicial districts and two public members. The bill, if enacted would extend the Commission operation for another four years to June 30, 2008.

The Commission serves the public interest by adopting regulations to carry out the laws governing the practice of real estate in Alaska. It approves education courses and instructors, makes final licensing decisions and takes disciplinary action against people who violate the licensing laws.

Representative Rokeberg advised that Legislative Audit recommends REC be extended. The regulation and licensing of real estate professionals provides necessary public protection in the buying and selling of residential and commercial properties. He recommended that REC be extended to June 30, 2008, and urged passage.

He pointed out amendments made by the House Labor & Commerce Committee, which address two issues:

- Home inspectors, and
- Requests from the Division of Occupational Licensing, cleaning up statutory language.

Representative Rokeberg highlighted the sectional analysis:

- Section 1 extends the sunset for the Real Estate Commission to June 30th, 2008.
- Section 2 addresses the question of dual insurance. Current law requires each licensee to have insurance.
- Sections 3 & 4 were requested by the Division of Insurance and clear up language regarding inactive real estate licenses and address notification.
- Section 5 addresses continuing education for a person who has a transitional home inspector license.
- Section 6 allows for the act to take effect immediately.

Representative Rokeberg referenced Amendment #1, #23-LS1548\H.1, Mischel, 3/1/04. (Copy on File).

Co-Chair Williams asked if the amendment had received any other committee hearings. Co-Chair Harris reported that the bill had received rigorous debate in the House Labor and Commerce Committee.

Co-Chair Harris MOVED to ADOPT Amendment #1. Co-Chair Williams OBJECTED and noted that he wished it had been addressed in the previous committee.

Representative Stoltze recommended that Amendment #1 needed to have more public input. He referenced Page 1, Line 10, deleting language "American Home Inspectors Training Institute", indicating that it would be good to hear if that change was supported.

Representative Rokeberg responded that he had no objection to removing the language. He pointed out that organization was added in the Senate Judiciary Committee last year. He understood that the distinction was substantially different and that the requirements were not adequate.

Representative Stoltze MOVED to ADOPT the amendment to Amendment #1. Co-Chair Harris OBJECTED and asked if there was a problem with that group. Representative Rokeberg replied that they had lobbied to get placement in the bill last year with the Chair of the Senate Judiciary Committee.

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Representative Rokeberg agreed that the amendment to the amendment would be appropriate. Co-Chair Harris asked why the public felt that way. Representative Rokeberg responded that the other included organizations are much more thorough. The course of instruction by the American Home Inspectors is only six days and includes 50 questions; whereas, the other exam is a longer course of study and has 250 questions. It is a more arduous course of study.

Co-Chair Harris WITHDREW his OBJECTION to amending Amendment #1. There being NO further OBJECTION, the amendment was to Amendment #1 was adopted.

Representative Croft inquired if the first portion of the amendment adds a continuing education requirement. Representative Rokeberg responded that was part of the original bill. Representative Croft asked what the section would be adding.

JANET SEITZ, STAFF, REPRESENTATIVE NORMAN ROKEBERG, explained that when the regulations were developed, there were problems the Division had in distinguishing between who needed continuing education and who did not. It was the original intent that once the party got their license, the only thing they would need would be the continuing education. The amendment makes it clear that inspectors must submit the application within one year of passing the exam, or they demonstrate the documentation that they had passed the exam, or they could show that they had the continuing education requirement.

Representative Croft requested clarification if they would have to apply within one year, adding the additional language of proof of a continuing education requirement. Ms. Seitz responded that it would be either one or the other.

Representative Croft asked what was the "residential combination examination". Ms. Seitz replied that when the Division was developing the regulations, under the current law, the passing of the building inspector examination, a person would have to pass four separate exams. The combo examination is a "4 in 1" exam and instead of taking separate exams, the qualifying person takes only the combo exam.

Representative Croft advised that the fee for licensing would be \$200 dollars. He inquired if the fee had been left out when previously passed. Ms. Seitz replied that it had been left out.

Co-Chair Williams WITHDREW his OBJECTION to the amended Amendment #1. There being NO further OBJECTION, Amendment #1 was adopted.

Co-Chair Harris inquired if the bill had received an audit.

PAT DAVIDSON, LEGISLATIVE AUDITOR, LEGISLATIVE AUDIT DIVISION, replied that an audit had been done and a recommendation was made for a four-year extension. Further recommendations made were:

- To increase the ceiling for the real estate assurity fund;
- To create a reasonable due notice when claims are approved;
- To clarify that if a real estate agent was involved in the sale of a mobile home, the transaction be covered by the real estate assurity fund.

Ms. Davidson acknowledged that the third recommendation was accompanied by controversy and that the Division did not

mean that all mobile home sales had to be handled by real estate agents. That would not be recommended. They would need that only to the extent that if a real estate agent was involved, the transaction would then be covered by that fund. The proposed bill does not address that concern.

Representative Foster MOVED to report CS HB 418 (FIN) out of Committee with individual recommendations and with the accompanying fiscal note. There being NO OBJECTION, it was so ordered.

CS HB 418 (FIN) was reported out of Committee with a "do pass" recommendation and with a new fiscal note by the Department of Community & Economic Development.

#HB319

HOUSE BILL NO. 319

An Act relating to the disposal of state land by lottery; and relating to the disposal, including sale or lease, of remote recreational cabin sites.

Co-Chair Harris MOVED to ADOPT work draft #23-LS0477\W, Bullock, 4/2/04, as the version of the legislation before the Committee. There being NO OBJECTION, it was adopted.

JIM POUND, STAFF, REPRESENTATIVE HUGH FATE, discussed the committee substitute addressing two primary concerns. The first change is the 100% penalty clause at the end of the contract line in Sections 2 and 3; the second change deletes the authority language. He believed that the changes would enhance the bill. Mr. Pound noted Amendment #1, #23-LS0477\W.2, Bullock, 4/13/04. (Copy on File).

Co-Chair Harris MOVED to ADOPT Amendment #1. Co-Chair Williams OBJECTED.

PETE ECKLUND, STAFF, REPRESENTATIVE BILL WILLIAMS, reviewed the amendment, noting that it would clarify, that in order to nominate a parcel under the program, the person would need to be a State resident. The amendment defines State resident to mirror what is already in statute. The amendment clarifies that only State residents can nominate parcels. The amendment addresses the concern that individuals can nominate multiple parcels across the State and would be limited to every three years, once a lease had been purchased.

There being NO further OBJECTION, Amendment #1 was adopted.

Representative Croft questioned if there was a limit on the initial nomination process.

REPRESENTATIVE HUGH FATE, SPONSOR, commented the commissioner could adopt only one petition. Representative Croft inquired if that language was located on Page 3, Line 25. Mr. Pound pointed out that the number adopted in the amendment would change the language, making it more specific to the commissioner's judicial review.

Representative Fate provided members with a new fiscal note, dated 3/30/04. (Copy on File). He observed that HB 319 would generate a conservation minimum of \$500,000 dollars annually in land sale revenues. He hoped that an agreement had been reached regarding the fiscal impact.

Co-Chair Williams asked if the Department was available to address the fiscal notes.

JANET BURLESON-BAXTER, LEGISLATIVE LIAISON, OFFICE OF THE COMMISSIONER, DEPARTMENT OF NATURAL RESOURCES, offered to answer questions for the Department.

JIM DIERINGER, STAFF, REPRESENTATIVE HUGH FATE, pointed out that the new note dated 3/30/04.

Dick Mylius, (testified via teleconference), Deputy Director, Division of Mining Land and Water, Department of Natural Resources, anchorage, stated that he had not seen that note and was not able to respond. The sponsor and the Department had reached agreement on the previous note. Co-Chair Harris clarified it would be \$2 million dollars for the next five years.

Mr. Dieringer advised that the differences between the two fiscal notes, one dated 3/26/04 and the other dated 3/30/04, was clerical category changes. He observed that there were no changes to the numbers only the format.

Co-Chair Williams stated that he would hold the bill in Committee so that the Department could address the fiscal concern. Representative Fate interjected that his office had gone over the notes with the Department and understood that they had come to an agreement.

Co-Chair Harris commented that the fiscal note adds another \$355 thousand dollars to the FY05 Department of Natural Resources, Land Sales. It is also proposed that the Department have an additional \$481 thousand dollars for FY06. He understood the funding during the out years would come from program receipts and/or sale of lands. He believed that passage of the bill, would generated an additional \$355 thousand dollars, which would be added to the Department of Natural Resources budget. Mr. Dieringer stated that was correct. When implementing any type of real estate program, there is a lag period between the selection,

best interest findings time, the appraisals and the surveys. When working with the Department, it will take about two years. The sponsor agreed that between 18 to 24 months would be reasonable. There would be no sales revenues until up to the 18th month. Present year, would require funding of \$355 thousand dollars.

Co-Chair Harris asked if the fiscal note proposed no funding for the FY05 budget. He thought that the Department would have to "eat" the \$355 thousand dollars, needing monies to operate. Mr. Dieringer anticipated that there would be program receipts to cover costs. In this year's budget, the Division requested eight new positions and \$400 thousand dollars to develop a land sales program. He did not know if that had been approved. He believed that there would be enough money this year to implement the program; then program receipts would come in by the third year to cover all the other costs.

Co-Chair Williams requested that the fiscal note be discussed with the Department.

Ms. Burleson-Baxter pointed out that version "W" will impact the Department's proposed note.

Co-Chair Williams referenced the comparison document. (Copy on File). He asked if that had changed. Ms. Burleson-Baxter responded that it had changed from the side by side presented of version "V". Co-Chair Williams requested an amended version comparison. Ms. Burleson-Baxter offered to provide that information.

HB 319 was HELD in Committee for further consideration.

#HB439

HOUSE BILL NO. 439

An Act relating to the authority to take oaths, affirmations, and acknowledgments in the state; relating to notaries public; relating to fees for issuing certificates with the seal of the state affixed; and providing for an effective date.

ANNETTE KREITZER, CHIEF OF STAFF, OFFICE OF THE LIEUTENANT GOVERNOR, pointed out the positive fiscal note accompanying HB 439. She highlighted the comparison chart and the sectional analysis. (Copy on File). The sectional analysis outlines the changes that occurred in the House State Affairs and House Judiciary Committees.

The bill is a result of research handled by the Office of the Lieutenant Governor and among 12,000 notaries statewide. In the prepared bill, the qualification age has been lowered to 18 years old. The residency requirement made is

consistent with general residency statute AS 01.10.055, rather than separate definition. The terms would remain the same. The \$2 dollar per certificate fee has been increased to \$5 dollars per certificate. The bond amount was not changed.

Ms. Kreitzer continued, highlighting the two types of commissions, public notaries and the limited governmental notary public commissions. The Lt. Governor, for good cause via a formal disciplinary procedure, could make a commission revocation. The notary information currently available remains unchanged. The notary's name, mailing address, surety information and commission dates continue to be publicly available. There will be no changes to the non-commissioned notaries.

Ms. Kreitzer added that it is intended to move toward a web-based system.

Representative Foster referenced the comparison chart, inquiring how it was intended to work in rural Alaska.

SCOTT CLARK, NOTARY ADMINISTRATOR, OFFICE OF THE LIEUTENANT GOVERNOR, explained that beside commercial bonds, there are individual assurities. A person applying for the notary commission can have a relative or friend act assurity on a bond. It does not involve any expense on the applicant's part.

Representative Foster pointed out that the chart implies that applicants cannot have a felon conviction for a ten-year period. Mr. Clark responded that currently there are no restrictions for felons serving as notaries.

Ms. Kreitzer stated that the bill had not been introduced with language addressing that concern. The Lt. Governor offered to consider the right to be a notary if there was a good compromise. From statistics, the Department of Corrections has indicated that if someone was free from committing a felony for 10-years following the initial felony, there is a good chance that person would not be committing another felony. She clarified that the language was a compromise. That statement surprised Representative Foster as he thought a person could not vote if they had been a felon. Ms. Kreitzer advised that voting rights can be restored.

Co-Chair Williams stated that HB 439 would be HELD in Committee for further consideration.

#HB484
HOUSE BILL NO. 484

An Act imposing a correctional facility surcharge on persons convicted of a crime under state law, and on persons whose probation is revoked; relating to fees and expenses for interstate transfer of probation or parole; and providing for an effective date.

PORTIA PARKER, DEPUTY COMMISSIONER, DEPARTMENT OF CORRECTIONS, stated that HB 484 would impose a surcharge on persons convicted of an offense and on persons whose probation was revoked. The bill also requires that a person under State probation or parole supervision to pay an application fee for a requested transfer of that supervision to another state.

She added that Alaska has an urgent need to mitigate the cost of the correctional facilities. The bill would impose a surcharge on a person who pleads guilty, nolo contendere, or is convicted of a crime if that person was arrested and taken to a correctional facility or sentenced to a term of imprisonment. The amount of the surcharge depends on the seriousness of the crime. Ms. Parker added that the bill would also impose a surcharge on a person placed on probation after conviction of a crime. The surcharge is collected only if the defendant's probation was revoked for a probation violation and that person was either arrested and taken to a correctional facility for the violation, or sentenced to prison for it.

Ms. Parker stated that Alaska participates in the Interstate Compact for Adult Offender Supervision, which regulates the transfer of supervision for persons under State probation and parole. HB 484 would establish an application fee for persons under active probation or parole supervision who request an interstate transfer of supervision under the Compact. According to the Department of Corrections, the majority of other states already impose a fee for similar services. The legislation would require the applicant to post bond or deposit cash, which would be forfeited if the State has to escort the person back to Alaska for confined supervision.

Vice Chair Meyer questioned how the dollar amount had been determined. Ms. Parker replied that the middle ground was chosen for booking fees. Some states charge a daily fee, with many other administrative charges imposed. The highest found was \$250 dollars, so the Department believed that \$100 dollar should be reasonable.

Vice Chair Meyer asked how people with no income could be charged. Ms. Parker requested that someone else address the collection process and that there are people on line who could address that concern. She pointed out that wages can be garnished.

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Ms. Parker added that housing and medical needs are paid for by the State general fund and that working in the facilities could help pay for the \$100 fine in the correctional facilities.

Vice Chair Meyer asked if work in the facility was optional. Ms. Parker replied that it is.

Representative Chenault pointed out that the Court System currently assesses charges for just about everything. He asked about the transferring process and how the fee was determined. Ms. Parker responded that the offender would have to make a request for a transfer to another state to be charged the fee and they would then be under the probation through an interstate contract.

Representative Foster referenced the 32,000 yearly arrests. Ms. Parker explained that is the number of bookings. Representative Foster pointed out that there are only 600,000 people in the entire state. That amount would be a huge percent of the State's population. Ms. Parker advised that many are the same individual being rebooked.

Representative Croft asked if the transfer would be charged for only one way. Ms. Parker clarified that there would be a charge for processing when they request to transfer out of state. That is the manner in which most other states handle it. If they were charged on entering into Alaska, they would be charged both an exiting from the other state and then again an entering fee. The \$100 dollar fee would cover the request for processing and needs to be a bond, a \$200 dollar bail bond. If the individual does not need to be retrieved, then the \$200 dollars is refundable.

Representative Croft recommended it would be better to charge them coming into state. In effect, there would be a double charge when transferring back to Alaska. Representative Foster believed it would be cheaper to get them out of the State.

DIANE WENDLANDT, (TESTIFIED VIA TELECONFERENCE), ASSISTANT ATTORNEY GENERAL, DEPARTMENT OF LAW, ANCHORAGE, offered to answer questions of the Committee.

Representative Foster MOVED to report CS HB 484 (JUD) out of Committee with individual recommendations and with the accompanying fiscal notes. There being NO OBJECTION, it was so ordered.

CS HB 484 (JUD) was reported out of Committee with "individual" recommendations and with a new zero note by the Alaska Court System, a new fiscal note by the Department of Corrections and fiscal note #1 by the Department of Law.
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ADJOURNMENT

The meeting was adjourned at 5:13 P.M.