

HOUSE FINANCE COMMITTEE
May 6, 2005
8:48 A.M.

CALL TO ORDER

Co-Chair Meyer called the House Finance Committee meeting to order at [8:48:01 AM](#).

MEMBERS PRESENT

Representative Mike Chenault, Co-Chair
Representative Kevin Meyer, Co-Chair
Representative Bill Stoltze, Vice-Chair
Representative Eric Croft
Representative Richard Foster
Representative Mike Hawker
Representative Jim Holm
Representative Reggie Joule
Representative Mike Kelly
Representative Carl Moses
Representative Bruce Weyhrauch

ALSO PRESENT

Michael Barton, Commissioner, Department of Transportation and Public Facilities; Tom Boutin, Deputy Commissioner, Department of Revenue; Heather Brakes, Staff, Senator Gene Therriault; Patty Ware, Director, Division of Juvenile Justice, Department of Health and Social Services; Anthony Newman, Division of Juvenile Justice, Department of Health and Social Services; Anne Carpeneti, Assistant Attorney General, Legal Services Section-Juneau, Criminal Division, Department of Law

PRESENT VIA TELECONFERENCE

none

SUMMARY

HB 237 An Act relating to international airports revenue bonds; and providing for an effective date.

HB 237 was HEARD and HELD in Committee for further consideration.

#HB291

HB 291 An Act relating to release of information in individual workers' compensation records for commercial purposes; and providing for an effective date.

HB 291 was SCHEDULED but not HEARD.

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CS SB 154(JUD)

An Act relating to the jurisdiction for proceedings relating to delinquent minors and to telephonic and televised participation in those proceedings; amending Rules 2, 3, 4, 8, 12, 13, 14, 15, 16, 21, 22, 23, 24.1, and 25, Alaska Delinquency Rules; and providing for an effective date.

HCS CS SB 154 (JUD) was reported out of Committee with a "do pass" recommendation and with indeterminate note #1 and #5 by the Department of Administration, zero note #2 by the Department of Law and zero note #3 by the Department of Health & Social Services.

#HB237

HOUSE BILL NO. 237

An Act relating to international airports revenue bonds; and providing for an effective date.

[8:49:08 AM](#)

MICHAEL BARTON, COMMISSIONER, DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES, explained that HB 237 would amend AS 37.15.410 to increase the cumulative authorization for international airport revenue bonds from the current \$524.5 million dollars to \$812.5 million dollars. The increase allows the sale of up to \$288 million dollars in new international airport revenue bonds to support capital improvement programs for fiscal years 2006 through 2009 at the Ted Stevens Anchorage International Airport and the Fairbanks International Airport. Those two airports together comprise the Alaska International Airport System (AIAS). AS 37.15.410 clarifies the cumulative bond amount authorized since the creation of the international airport revenue-bonding program, including those already fully retired. It does not reflect the dollar amount of outstanding bonds at any given time.

[8:50:40 AM](#)

Vice-Chair Stoltze asked the position of the Aviation Advisory Board position on the legislation. Commissioner Barton indicated that they had not taken a "formal position" on it. He acknowledged that they had not been officially notified. Vice-Chair Stoltze encouraged the Board to be consulted.

[8:51:35 AM](#)

Commissioner Barton agreed, acknowledging that the Department consults with them often on projects.

Representative Weyhrauch asked how many international airports there are in Alaska. Commissioner Barton replied two that are State owned.

[8:52:12 AM](#)

Representative Weyhrauch asked if Ketchikan's airport was municipality owned. Commissioner Barton explained that the City of Ketchikan operates the airport but it is owned by the State. The Alaska International System is comprised of the Anchorage and Fairbanks airports; there is a formal agreement with all airlines at those two airports.

[8:53:03 AM](#)

Representative Weyhrauch noted that the airport in Ketchikan is called the Ketchikan International Airport. Commissioner Barton replied it is called that but is not part of the Alaska International Airport system. He added that Juneau is a municipally owned airport. The formal "trigger" to be considered an international airport is if the airport offers customs and immigration services.

[8:53:38 AM](#)

Representative Joule asked how revenue bonds are repaid. Commissioner Barton clarified they would be repaid through rates the airlines pay to operate in the Anchorage and Fairbanks airports. Important sources of revenue result from landing fees from either cargo and/or passengers. Eighty percent of that revenue comes from cargo and landing fees.

[8:54:22 AM](#)

Representative Joule inquired the cost adjustment expected to a passenger's ticket. Commissioner Barton responded that the Department has nothing to do with how the airlines establish their ticket prices. If it were assumed on a 120-passenger level, the cost would be \$.72 cents each.

Representative Joule voiced concern how the cost of fuel and the landing fees will affect ticketing costs.

[8:55:33 AM](#)

Co-Chair Meyer asked if ticket prices would be raised to offset some of the proposed costs. Commissioner Barton reiterated that he did not know and reminded members that was a function of the airlines. To pay off all bonds only

through the landing fees would make a difference of \$.72 cents on each ticket. Co-Chair Meyer thought it could be added to the cost of freight. Commissioner Barton agreed, noting that fuel and labor are the big costs for any airlines.

[8:56:30 AM](#)

HB 237 was HELD in Committee for further consideration.

[8:57:23 AM](#)

#SB154

CS FOR SENATE BILL NO. 154(JUD)

An Act relating to the jurisdiction for proceedings relating to delinquent minors and to telephonic and televised participation in those proceedings; amending Rules 2, 3, 4, 8, 12, 13, 14, 15, 16, 21, 22, 23, 24.1, and 25, Alaska Delinquency Rules; and providing for an effective date.

HEATHER BRAKES, STAFF, SENATOR GENE THERRIAULT, noted that SB 154 addresses two concerns of juvenile justice in Alaska:

- * Improving the State's ability to hold juvenile offenders accountable for their conduct, and
- * Increasing the efficiency of the juvenile justice system by allowing telephonic hearings where personal appearance is not necessary for the fair determination of an issue.

Ms. Brakes continued, SB 154 fills a gap in Alaska's statutes which allows young offenders to avoid prosecution if their role in a crime is not discovered until after the offender becomes 18 years of age, or if charges are not filed before the offender turns 18.

- Currently, when a person under 18 commits a delinquent act, the juvenile justice system is responsible for that matter; when a person over 18 commits a crime, the adult criminal system is responsible for prosecution.
- Recent court decisions have highlighted a loophole in the law, where a youth commits a delinquent act while under 18 years of age, but is not discovered or proceedings are not identified until that person reaches 18. Neither the adult nor the juvenile system has

clear jurisdiction.

- The gap is illustrated by a recent case that arose in Kenai. The State filed a Petition for Adjudication of Delinquency on a 19-year-old, who was alleged to have committed a sexual assault when he was 17 years old. The Superior Court dismissed the petition, holding, "there is nothing in the statutes that suggests the legislature contemplated adjudication trials for adults who committed crimes as juveniles."
- SB 154 fills the gap in jurisdiction by holding the juvenile accountable. The key change is found in AS 47.12.020(b), providing that the delinquent minor statutes apply to a person who commits a violation of criminal law of the state or a municipality while under 18 years of age, if the period of limitation under AS 12.10 has not expired.

Ms. Brakes concluded SB 154 amends Alaska's Delinquency Rules to allow for telephonic participation by juvenile offenders in certain proceedings. The law would still require a juvenile offender to be present for all hearings where personal presence is necessary for a fair determination of the issue. However, it would avoid expensive travel, where juveniles are transported to court appearances such as status hearings, when telephonic or televised appearance is adequate for the matter to be fairly decided.

[8:59:57 AM](#)

PATTY WARE, DIRECTOR, DIVISION OF JUVENILE JUSTICE, DEPARTMENT OF HEALTH AND SOCIAL SERVICES, explained that passage of the bill is important for the State juvenile justice system for two reasons. With regard to the judicial component resulted from two court cases out of Kenai. Both of those were serious offenses with multiple accounts of sexual assault. In both instance, the Court ruled that neither the juvenile nor the adult correctional system had legal jurisdiction to do any type of prosecution in the case. She stressed that ruling was not acceptable and that offenders need to be held accountable.

Ms. Ware highlighted the primary sections of the bill. Establishing jurisdiction, the two key changes in the statute are found in Sections 1 & 7. Section 1 creates a new sub section indicating that class of minors. Section 7

allows the court to have jurisdiction to adjudicate and dispose of cases under existing juvenile statute. Section 2 addresses clean up provisions in Title 47 related to situations in which, if the offender were now an adult, would no longer apply.

[9:03:12 AM](#)

Ms. Ware continued, Sections 3 - 6 deal with dual sentencing. In the existing delinquency system, for certain serious offenders after the age of 16, the State can impose both a juvenile and adult sentence. That language allows the same option in certain circumstances. She summarized that those components deal with the jurisdictional aspect of the bill.

Ms. Ware discussed the last section, which addresses changes to the delinquency rules. Currently, in that area, juveniles have the right to be present at every court hearing. The delinquency rules do not specify which type of court hearings those are. The Department of Health & Social Services ends up transporting juveniles for hearings that sometimes last less than four minutes and are not contested, which is particularly significant in the northern regions of the State for offenders held in youth facilities. Transportation results in a huge expense. The proposed section of the bill would allow for either party to request permission to be present by telephonic appearance. She advised this would not hold true for the substantive hearings.

[9:05:54 AM](#)

Ms. Ware emphasized that decision would not come from the Department but rather, contingent upon the decision of the judge.

[9:06:24 AM](#)

Co-Chair Chenault asked if a telephonic system was currently in place. Ms. Ware responded that telephonic hearings happen through regular phone lines.

Co-Chair Chenault asked about the fiscal notes. He referenced the fiscal comments by the Public Defender Agency (PDA) and the Office of Public Advocacy (OPA). He asked if the offender would be tried as an adult if the crime were committed at the age of sixteen and then two years had lapsed. Ms. Ware responded that was a separate component of the bill. She addressed the jurisdiction regarding whether the offender was tried as adult, which would depend on the age at the time of the offense. If the young person was sixteen or older at the time of the crime and the crime was

a felony, even under existing statute, they would be tried as an adult offender.

[9:09:10 AM](#)

Co-Chair Chenault asked if that were the case, would the offender have both a Public Defender and an OPA attorney. Ms. Ware explained that whether the offender was a juvenile or an adult, the court decides the right to the Public Defender Agency. OPA only steps in if there is a conflict of interest. She added, telephonic hearings only impact the delinquency rules. If the offender were tried as an adult, they would be tried under the criminal rules of court.

[9:10:56 AM](#)

Representative Croft clarified that the offender would be charged for the crime as they were at the age of the actual crime. Ms. Ware responded that is what currently happens without the proposed bill. If a crime is committed and the system does not find out about it until after the age of eighteen years, there is no legal jurisdiction.

Representative Croft commented on the "black hole" resulting from "the window of opportunity" for trying the offender. Co-Chair Chenault was worried about costs incurred to the State. Ms. Ware reiterated that the issue in terms of jurisdiction is the age at the time of the crime.

Representative Croft asked which attorney would the offender be assigned if they were no longer a juvenile at the time of sentencing. Ms. Ware guaranteed that they would not have two attorneys. Depending on the circumstances of the case, the bill allows certain jurisdictions, depending on the severity of the case. It is not intended to hold adult offenders in juvenile institutions or the juvenile probation officers to supervise adults in the communities.

[9:14:18 AM](#)

Representative Croft asked when an offender would qualify for the Public Defender or an OPA attorney. Ms. Ware replied it would be the Public Defender.

[9:14:40 AM](#)

ANNE CARPENETI, ASSISTANT ATTORNEY GENERAL, LEGAL SERVICES SECTION-JUNEAU, CRIMINAL DIVISION, DEPARTMENT OF LAW, offered to answer questions of the Committee.

[9:15:21 AM](#)

ANTHONY NEWMAN, DIVISION OF JUVENILE JUSTICE, DEPARTMENT OF HEALTH AND SOCIAL SERVICES, offered to answer questions of the Committee.

[9:15:51 AM](#)

Representative Hawker noted that the bill was available for cross sponsorship.

[9:16:20 AM](#)

Representative Foster MOVED to REPORT CS SB 154 (JUD) out of Committee with individual recommendations and with the accompanying fiscal notes. There being NO OBJECTION, it was so ordered.

HCS CS SB 154 (JUD) was reported out of Committee with a "do pass" recommendation and with indeterminate note #1 and #5 by the Department of Administration, zero note #2 by the Department of Law and zero note #3 by the Department of Health & Social Services.

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ADJOURNMENT

The meeting was adjourned at 9:17 A.M.