

HOUSE FINANCE COMMITTEE
April 9, 2010
2:08 p.m.

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CALL TO ORDER

Co-Chair Stoltze called the House Finance Committee meeting to order at 2:08 p.m.

MEMBERS PRESENT

Representative Mike Hawker, Co-Chair
Representative Bill Stoltze, Co-Chair
Representative Bill Thomas Jr., Vice-Chair
Representative Allan Austerman
Representative Mike Doogan
Representative Neal Foster
Representative Les Gara
Representative Reggie Joule
Representative Mike Kelly
Representative Woodie Salmon

MEMBERS ABSENT

Representative Anna Fairclough

ALSO PRESENT

Representative Carl Gatto; Senator Dennis Egan;
Representative Cathy Munoz; Jesse Kiehl, Staff, Senator
Dennis Egan; Meghan Stangeland, Advocate, Juneau Youth
Court.

PRESENT VIA TELECONFERENCE

Franci Havemeister, Director, Division of Agriculture,
Department of Natural Resources; Ginny Espenshade, Kenai
Peninsula Youth Court; Ceezar Martinson, Anchorage Youth
Court; Sharon Leon, Executive Director, Anchorage Youth
Court.

SUMMARY

HB 70 ALASKA GROWN AGRICULTURAL PRODUCTS

CS HB 70(FIN) was REPORTED out of Committee with no recommendations and with new fiscal notes from the Department of Education and the Department of Natural Resources.

HB 331 YOUTH COURTS AND CRIMINAL FINES

HB 331 was SCHEDULED but NOT HEARD.

SB 257 YOUTH COURTS AND CRIMINAL FINES

SB 257 was REPORTED out of Committee with a "do pass" recommendation and with previously published fiscal notes: FN 1(CRT), FN 2(DHS), FN 3(LAW).

[2:09:23 PM](#)

#hb70

HOUSE BILL NO. 70

"An Act establishing the farm-to-school program in the Department of Natural Resources, the Alaska grown fresh fruit and vegetable grant program in the Department of Education and Early Development, the farmers' market technology improvement pilot program in the Department of Environmental Conservation, and the farmers to food banks pilot program in the Department of Commerce, Community, and Economic Development."

REPRESENTATIVE CARL GATTO, SPONSOR, presented an overview of the bill, explaining that HB 70 would help farmers and children by creating a nexus between children and real food that children can be exposed too. He noted that people do not use enough fresh food, especially children. As a result, 27 percent of high school students in Alaska are obese or overweight. The legislation would provide students with opportunities that are not currently available, such as "agriculture day" in elementary schools, which would focus on educating children about where food comes from. The bill focuses primarily on the encouragement phase, helping students to get excited about dealing with fresh food with the help of the farmers.

Representative Gara appreciated the work on the Mat-Su farming issue. He asked for verification that the legislation reflects current law in regards to price preference granted to locally grown agricultural products.

Representative Gatto confirmed that is correct.

Representative Gatto also mentioned food security. Root cellars and farmer's storage help root crops to last throughout the year. The creation of a farm-to-school program will help children recognize this and aims at encouraging farmers to stay with farming.

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Representative Austerman asked whether schools are defined in the bill. Representative Gatto did not have an answer at that time.

Representative Austerman noted that work programs such as the Alaska Job Corps that teach culinary plans should be included in the legislation in addition to traditional schools. Representative Gatto agreed and noted that it is possible that the term "schools" in the bill is defined as all schools overseen by the Department of Education.

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Vice-Chair Thomas MOVED to ADOPT proposed committee substitute, work draft 26-LS0284\P, Bannister, 4/8/10.

Co-Chair Stoltze OBJECTED for discussion.

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BEN MULLIGAN, STAFF, CO-CHAIR STOLTZE explained that the CS, which was drafted in the previous year, was updated to reflect passage in the current fiscal year. January 25, 2010 was changed to January 25, 2011 on Page 3, line 20. The sunset date was changed to July 1, 2014, in section 5, to reflect that the legislature would review the program after four years.

There being NO further OBJECTION, the CS was adopted.

Co-Chair Stoltze talked of farming and farming regions and observed that the bill's relevance is not just limited to the Palmer area.

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Vice-Chair Thomas wondered if there is still a significant amount of farming in Tanana. Representative Kelly replied that it has grown a lot.

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Co-Chair Stoltze mentioned the fiscal note and asked for any discussion from committee members. Representative Doogan asked for verification that the fiscal note was to the Resources Committee version.

Co-Chair Stoltze replied in the affirmative and noted it would be updated to reflect the Finance CS.

Representative Doogan noted the fiscal note included the funding for two positions and asked for a brief description of each of the positions.

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FRANCI HAVEMEISTER, DIRECTOR, DIVISION OF AGRICULTURE, DEPARTMENT OF NATURAL RESOURCES, discussed the department's fiscal note. She confirmed that there are two positions requested under the bill. One position is for a Range 18 development specialist required to implement the in-school education process as well as educating the schools statewide. In addition, an agricultural inspector would be necessary if a garden program were implemented, in order to provide food inspection prior to its entry into schools for consumption.

Representative Austerman observed that it appeared the legislation would only involve schools in the public system. He noted that a definition of schools is needed and that the legislation should apply to university and all others.

Co-Chair Stoltze asked Representative Gatto if he would want the bill to be inclusive of all schools.

Representative Gatto verified that he would like to be as inclusive as possible. He remarked that he would even like to see people who have no ability to grow crops included, as long as the impetus and structure for the program are in place with state support.

Representative Austerman commented that he would also like to be as inclusive as possible for as many as possible.

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Representative Doogan stated that the bill covers everything that the Department of Education accredits except for the University of Alaska. He noted that the list located on page 6, appears to be complete with the exception of the University.

Representative Gara asked the department to explain whether it is already providing agricultural inspection for products that are produced in the state. He wondered why the bill required another agricultural inspector position.

Ms. Havemeister answered that the position would be necessary if gardens were implemented in rural areas to guarantee that the process of clean food development is understood. There are currently two inspectors at the Division of Agriculture, and their time would not allow them to travel to rural Alaska.

Representative Gara asked for verification that the department currently employs two inspectors. Ms. Havemeister agreed.

Representative Gara asked if the program would increase the demand by 20 percent. Ms. Havemeister responded that implementing the program state-wide would increase expenses due to travel costs.

Representative Gara voiced that there are farms statewide that have products for consumption. He noted that it is not obvious how the program differs from the agricultural inspector needs that currently exist in rural areas.

Ms. Havemeister clarified that there are two inspectors for Anchorage who do inspections for large producers who sell into retail. For schools wanting to move product into the school system for consumption, there would need to be an inspection process in place.

Co-Chair Stoltze voiced the need to look at the fiscal note further.

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Representative Austerman asked whether rural areas with community gardens would need the produce to be inspected prior to bringing it into the schools for consumption. Ms. Havemeister affirmed.

Representative Austerman asked if there would be a fee to the community for the inspection.

Ms. Havemeister responded that the fiscal note does not reflect a fee for community inspection. The fiscal note would include the development specialist traveling to do more education type-work. Currently, most of the inspections are done on the road system so the department has not had to address the issue.

Representative Austerman asked if a restaurant has to pay a fee for inspections, would the gardens also be subject to an inspection fee from the Department of Natural Resources (DNR). Ms. Havemeister verified the possibility and responded that DNR would have to look into it.

Representative Austerman asked if DNR would anticipate regulations. Ms. Havemeister responded possibly, and noted it would depend on what schools were involved and on how extensive the travel would be.

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Representative Gara noted the importance of updating the fiscal note before the bill goes to the Senate.

Vice-Chair Thomas MOVED to report CS HB 70(FIN) out of Committee with individual recommendations and the accompanying fiscal notes. There being NO OBJECTION, it was so ordered.

CS HB 70(FIN) was REPORTED out of Committee with no recommendations and with new fiscal notes from the Department of Education and the Department of Natural Resources.

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At EASE

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RECONVENED

#sb257

SENATE BILL NO. 257

"An Act relating to funding for youth courts; and relating to accounting for criminal fines."

[2:33:29 PM](#)

SENATOR DENNIS EGAN, SPONSOR, explained that the legislation provides a sustainable funding source for youth courts. Youth courts across the state share the same basic principal that young people picked up for small crimes get a trial by their peers. He pointed out that only 10 percent of juveniles who go through the program re-offend, saving the state approximately \$10 thousand per offender. He maintained that the program provides real attention and real consequences. The kids who volunteer in the program get great training in criminal law, which is another benefit to Alaskans. The legislation designates a portion of criminal fines as a funding source for the courts. Currently, adult criminal fines go into the unrestricted general fund. Senate Bill 257 designates up to 25 percent of those funds for youth courts. Senator Egan noted that making criminals pay for crime prevention is logical.

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REPRESENTATIVE MUNOZ, a Co-Sponsor of SB 257, spoke in support of the legislation. She noted that youth courts in general and have been very successful, and specifically mentioned the success of the program in Juneau. There are 12 youth courts across the state. The bill sponsors received a significant amount of input from youth courts across the state as well as from police departments, municipalities and individuals.

Representative Doogan asked how much 25 percent of fines would amount to.

JESSE KIEHL, STAFF, SENATOR EGAN, explained that criminal fines average approximately \$5.2 million to \$5.3 million per year. Providing 25 percent of those fines would be a significant increase over current funding for youth courts or the near term anticipated need.

Representative Doogan asked how the bill would deal with a mechanism for funding the current need.

Mr. Kiehl answered that excess funds are automatically returned to the unrestricted general fund when the authorization is greater than the amount needed. The legislative appropriation would be based on the need of the youth courts. Twenty-five 25 percent would leave room for future growth in the program.

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Representative Austerman asked for clarification regarding language in the legislation that states the legislature "may" appropriate 25 percent. He asked if that meant the legislature could appropriate 10 percent if that was a sufficient amount.

Mr. Kiehl observed that 10 percent would be approximately the amount appropriated in the Senate version of the operating budget.

Representative Munoz pointed out that in the House version there was an amendment added to include the language "up to 25 percent". Representative Gara did not think the additional language was necessary and observed that section 3 is permissible.

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Representative Foster noted his support for youth courts. He noted that youth courts have an 8 percent recidivism rate, which is lower than the traditional juvenile justice system and asked if there is a cut-off point regarding the kinds of cases that youth courts can accept. He questioned if the 8 percent rate reflects an apples-to-apples comparison between youth courts and the juvenile justice system.

Mr. Kiehl explained that Alaska statute 47.12.400 sets a bar for what can be handled by the juvenile court. Cases referred to youth courts under Alaska statutes can be alcohol related offenses, traffic offenses, and offenses up to a Class A misdemeanor.

Co-Chair Stoltze asked what the most serious offense referred to the youth courts could be.

Mr. Kiehl said a minor assault would be within the misdemeanor realm, whereas serious bodily injury would not.

Co-Chair Stoltze noted he would like more answers regarding his question.

Representative Joule commented that he received three letters from students at Mt. Edgecumbe involved in youth courts who were very articulate in their support of SB 257. These students pointed out that having youth handle some of these issues provides a savings to the courts, noting savings of about \$10 thousand per case. Representative Joule asked if youth courts would have the latitude to deal with truancy, which is something that the courts do not appear to have time for.

Mr. Kiehl responded that he was not familiar enough with the statute on truancy to provide a definitive answer. He noted that he did not believe truancy to be a felony and purported that when a juvenile is picked up for the offense, the Division of Juvenile Justice could refer the case to a youth court.

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Representative Joule followed up noting that truancy is a glaring issue around the state that could be addressed in the legislation. He stated that part of the reason the youth courts are effective is because peers are dealing with each other.

Representative Gara asked Senator Egan if the bill's purpose aimed to address a shortfall youth courts currently face or at preventing a shortfall in the future.

Senator Egan replied that it is a little of both, so when current federal funding runs out, the youth courts will continue to be funded.

Representative Gara asked whether the state is facing decreasing federal funds.

Mr. Kiehl responded in the affirmative, noting the last of the second earmark will end. Youth courts have done an excellent job of reaching out to their communities to broaden their budgets as much as possible. The 10 percent referenced in the operating budget would be an amount sufficient to keep the lights on and nothing more. However, there have been requests from around the state to open new

youth courts that would serve more Alaskans. Youth courts in some rural areas of the state have been closed and are interested in re-opening.

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Co-Chair Stoltze questioned in the interaction between Department of Health and Social Services and the Department of Law, who handles what role and how would the legislation impact the activities of both departments.

Mr. Kiehl responded that the youth courts operate under the Department of Health and Social Services as a diversionary program for juvenile justice cases. The Alaska Court System provides cooperation and support but neither funding nor oversight. Youth courts in most communities have use of court rooms when available. The court system has in turn seen the value of the youth courts and provides the use of their court rooms free of charge.

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Representative Foster asked if his assumption that most youth courts are associated with towns that have a court was accurate. He wondered if villages have youth courts, and if not, are there any options to get youth courts in villages telephonically.

Mr. Kiehl felt there was a great possibility [to expand the program telephonically] in the future. Alaska statute 47.12.400 only allows one youth court per municipality but nothing prohibits two or more municipalities from operating a single youth court by agreement between them.

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Co-Chair Hawker pointed out that the legislation originated as a house bill in 2005, which died in the Senate Finance Committee and noted his support of the bill.

Representative Austerman noted his support of the youth courts and belief that they should be funded. Youth courts help young students. He maintained that the bill does not fund youth courts but highlights the issue that they should be funded.

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Vice-Chair Thomas asked if plea bargaining from one complaint to a lower one occurs in youth courts or are charges are firm.

Mr. Kiehl responded that every youth court runs a little differently. In some communities the youth court picks up a case right after arrest. Other youth courts operate as sentencing courts. The first expansion of youth courts in Alaska happened at a time when the juvenile justice system was so swamped that kids picked up for shoplifting just received a letter notifying them of a \$25 fine. Now these cases get closer look because attorneys volunteer their services to the youth courts.

Vice-Chair Thomas related a personal antidote.

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MEGHAN STANGELAND, ADVOCATE, JUNEAU YOUTH COURT, supported the bill and keeping youth courts. She stressed that she has learned so much from the youth court system, including how the court system works and public speaking skills. She noted the courts are also very important for the defendants as the process focuses on constructing sentences that reflect personalization for each defendant, which allows the defendant to identify their strengths and to hopefully give back to the community in ways that help them realize they can be an asset to the community.

GINNY ESPENSHADE, KENAI PENINSULA YOUTH COURT (via teleconference), responded to Representative Joule's comment related to truancy, noting that each community youth court could work with their community to modify the court's focus based on the community's specific needs. Ms. Espenshade referred to the upper state New York youth court system, which is an entirely truancy based court, as an example of how each youth court can respond to the needs of their given community.

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CEEZAR MARTINSON, ANCHORAGE YOUTH COURT (via teleconference), emphasized his strong support of the bill. As a member of the Anchorage youth court, his experience has been a very rewarding time, inspiring him to pursue a career in law enforcement. Mr. Martinson encouraged support of the bill.

SHARON LEON, EXECUTIVE DIRECTOR, ANCHORAGE YOUTH COURT (via teleconference), in response to an earlier comment by Representative Foster, voiced agreement on trying to get youth courts into rural areas. Several youth courts are currently looking to see if these practices can be used in rural communities.

Ms. Leon testified that the support of youth courts presents an opportunity to fund a program that provides tangible benefits to Alaska's youth and adults and the lives of future generations. Ms. Leon emphasized the importance of a program where youth and adults work together in a partnership and urged support of the bill.

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Representative Foster thanked Ms. Leon for the Anchorage youth court's rural outreach efforts.

Co-Chair Stoltze closed public testimony.

[3:03:22 PM](#)

Co-Chair Hawker MOVED to report SB 257 out of Committee with individual recommendations and the accompanying fiscal notes. There being NO OBJECTION, it was so ordered.

SB 257 was REPORTED out of Committee with a "do pass" recommendation and with previously published fiscal notes: FN 1(CRT), FN 2(DHS), FN 3(LAW).

#hb331

HOUSE BILL NO. 331

"An Act relating to funding for youth courts; and relating to accounting for criminal fines."

HB 331 was SCHEDULED but not HEARD.

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ADJOURNMENT

The meeting was adjourned at 3:06 PM