

SENATE FINANCE COMMITTEE

April 2, 2012

9:04 a.m.

9:04:13 AM

CALL TO ORDER

Co-Chair Stedman called the Senate Finance Committee meeting to order at 9:04 a.m.

MEMBERS PRESENT

Senator Lyman Hoffman, Co-Chair
Senator Bert Stedman, Co-Chair
Senator Lesil McGuire, Vice-Chair
Senator Johnny Ellis
Senator Dennis Egan
Senator Donny Olson
Senator Joe Thomas

MEMBERS ABSENT

None

ALSO PRESENT

Senator Joe Paskvan; Michael Barnhill, Deputy Commissioner, Department of Administration; Kathie Wasserman, Alaska Municipal League, Juneau; Senator Linda Menard; Chris Maisch, Director, Division of Forestry, Juneau; Senator Kevin Meyer; Annie Carpeneti, Criminal Division, Department of Law (DOL); Kate Burkhart, Member, Advisory Board on Alcoholism and Drug Abuse, Juneau; David Scott, Staff, Senator Donnie Olsen; Doug Wooliver, Deputy Administrative Director, Alaska Court System; Senator Betty Davis; Celeste Hodge, Staff, Senator Betty Davis; Denise Doniello, Executive Director, Alaska Commission on Aging, Juneau; Marie Darlin, American Association of Retired Persons, Juneau; Annie Carpeneti, Assistant Attorney General, Legal Services Section-Juneau, Criminal Division, Department of Law; Dr. Cathy Baldwin-Johnson, Alaska Children's Justice Task Force, Anchorage; Cathy Lee, Deputy Director, Division of Retirement and Benefits

PRESENT VIA TELECONFERENCE

Dorothy Leake, Self, City of Anderson; Sallie Stuvek, Human Resource Manager, Fairbanks North Star Borough, Fairbanks; Doug Griffin, City of Palmer, Palmer; Lisa Vaughn, Accountant, North Pole; Jennifer Johnston, Member, Anchorage Assembly, Anchorage; Owen Graham, Executive Director, Alaska Forest Association, Ketchikan; Rick Rogers, Executive Director, Resource Development Council, Anchorage; Trish Smith, Volunteers of America, Anchorage; Deb Evensen, Director, Fetal Alcohol Consultation Training Services, Homer; Denise Michels, Mayor, City of Nome, Nome; Patrick Cunningham, Associate Professor, Social Work, University of Alaska, Anchorage; Heidi Williamson, Associate State Affairs Director, Alzheimer's Association, Washington, D.C.; Mike O'Hare, Deputy Director, Homeland Security and Emergency Management, Department of Military and Veterans Affairs, Fort Richardson

SUMMARY

SB 100 PERS Termination Costs

SB 100 was HEARD and HELD in Committee for further consideration.

SB 159 Susitna State Forest

SB 159 was HEARD and HELD in Committee for further consideration.

SB 151 Fetal Alcohol Spec. Disorder as Mitigator

SB 151 was HEARD and HELD in Committee for further consideration.

SB 226 Purchase & Lease of Nome Office Building

SB 226 was HEARD and HELD in Committee for further consideration.

SB 179 Missing Vulnerable Adult Response Plan

SB 179 was HEARD and HELD in Committee for further consideration.

SB 210 Crimes Against Children

SB 210 was HEARD and HELD in Committee for further consideration.

#sb100

SENATE BILL NO. 100

"An Act relating to employer contributions to the Public Employees' Retirement System of Alaska; relating to requirements that employers who terminate some or all participation in the Public Employees' Retirement System of Alaska pay termination costs; and making the changes retroactive."

9:05:29 AM

SENATOR JOE PASKVAN, introduced SB 100. He referred to the Sponsor Statement for SB 100 (copy on file).

Senate Bill 100 addresses the future financial stability of all PERS employers - the State municipalities, school districts and the University of Alaska - and their ability to efficiently and effectively manage the delivery of programs and services.

Due to a variety of historical circumstances and decisions, the Public Employees' Retirement System (PERS) defined benefit system evolved from being fully funded to being underfunded by billions of dollars. A solution embraced by all parties to address the unfunded liability was incorporated into Senate Bill 125 and was passed by the legislature in 2008. SB 125 set into law that the PERS system is a consolidated system and that the combined defined benefit (DB) and defined contribution (DC) salary base would be required to pay down the unfunded obligation, which in turn would provide for sustainable, predictable and affordable employer rates.

Paying off the unfunded obligation is predicated upon a stable, reasonably growing, system-wide salary base. A concern at the time SB 125 was adopted was that employers might en-masse elect to convert PERS salaried positions to contracted positions to reduce or avoid their PERS cost, thus shrinking the PERS salary base needed to pay off the unfunded obligation. To address this concern, it was agreed that employers

would pay the greater of 22 percent on their combined DB and DC salary base, or, 22 percent on their total payroll for the period ending 6/30/2008. This effectively set the minimum contribution, or floor, that an employer would pay once PERS converted to a consolidated system.

Additional language relating to termination studies was added at the time to prevent employers from intentionally reducing their fair share contribution toward paying off the unfunded obligation. The application of the termination studies law is the cause for concern and the introduction of SB 100.

Current law requires an employer who terminates participation of a department, group, or other classification of employees to pay the following bills:

1. the cost associated with obtaining a termination study from the PERS actuary;
2. the actuarial cost to the employer for future benefits due employees whose coverage is terminated; and
3. the past service cost, annually, on each position terminated until the unfunded obligation is paid off decades from now.

Enforcement of the termination studies law is making it difficult for employers to manage their delivery of services, discriminates against small municipalities even though their impact is immaterial, and is costly and nearly impossible to implement in an equitable manner. These mandated termination studies fail to recognize that we do not have a single-agent, multiple employer system in which different employers pay different net rates. SB 125 provided for one integrated system of accounting; the unfunded obligation is to be shared among all employers, with each paying a single, uniform contribution rate of 22 percent.

All agree that the unfunded obligation must be paid off. All agree that the entire PERS salary base - both DB and DC - is needed to pay off the unfunded

obligation, and that it must be sustained and have reasonable growth. The fear that employers would act in a manner jeopardizing the payment of the unfunded obligation has not materialized; in fact, the system-wide salary base has grown steadily. The law providing for termination studies is not needed and is repealed through SB 100.

SB 100 maintains the 6/30/2008 floor as the base salary amount upon which PERS payment must be calculated as this is the most efficient, cost effective and equitable method of ensuring the unfunded obligation is paid off.

[9:13:09 AM](#)

Co-Chair Stedman noted the one fiscal impact note from the Department of Administration (DOA).

MICHAEL BARNHILL, DEPUTY COMMISSIONER, DEPARTMENT OF ADMINISTRATION, stated that DOA did not take an official position on SB 100. Senate Bill 125 was passed in 2008, and the salary floor provision in that bill was intended to ensure a certain participation of political subdivisions and payment of the existing unfunded liability. By capping employer rates at 22 percent, SB 125 ensured that all future unfunded liabilities would be the responsibility of the general fund. The termination study issue ensured that when employers create new unfunded liabilities as a result of staffing changes, those employers bear those new unfunded liabilities. He expressed concern about SB 100, because the bill permitted cost-shifting when new unfunded liabilities were created. The amounts at issue were currently relatively small, but those amounts could grow larger in the future. He relayed some discussions with the bill sponsor and the Alaska Municipal League. He stated that DOA recognized the concerns of the Alaska Municipal League, particularly in the context of smaller employers. Those small employers often wanted additional flexibility in how their staff was handled.

Mr. Barnhill stated that DOA had offered the Alaska Municipal League a compromise proposal. He stated that DOA suggested the adoption of a 20 percent partial termination rule: if there was a staffing change that would trigger a termination under existing law, but impacted 20 percent or less than the payroll over a specified period of time, no

termination study would be triggered. He felt that the partial termination rule would particularly help the smaller municipalities. He remarked that under the 20 percent partial termination rule, there was a potential for municipalities to create new unfunded liabilities that would be cost-shifted to the state. He stated that DOA suggested that the 22 percent cap be increased to account for the projected new unfunded liabilities that would be created. This way, the State would be protected from the creation of any new unfunded liability by a political subdivision that wanted to take advantage of the 20 percent partial termination rule.

9:17:26 AM

Co-Chair Stedman surmised that if SB 100 were amended to include a 20 percent partial termination rule, DOA would be in favor of the bill. Mr. Barnhill replied that he could declare that DOA would be in favor of the bill, but felt that DOA would not oppose the bill.

Senator Thomas wondered if there would be a change to the aggregation of the employees working for an employer, or were employees tracked individually based on who they work for, length of service, and hours worked. Mr. Barnhill did not know to what extent individual employees were tracked.

CATHY LEE, DEPUTY DIRECTOR, DIVISION OF RETIREMENT AND BENEFITS, stated that individual employees were tracked by their service hours, salaries, and by employer. This information was transmitted to the actuary in order to evaluate the system.

KATHIE WASSERMAN, ALASKA MUNICIPAL LEAGUE, JUNEAU, testified in support of SB 100. She stressed that the small communities were taking the brunt of this expense. The larger employers could layoff or lose 20 employees, but if they kept just one employee, the larger employers would not need to pay into the system for that loss. Whereas, a small community could have one person in that group, and when that one person is terminated, the small community needs to pay into that loss. She stressed that the larger employers are impacting the system when the employees were laid off. She agreed that there needed to be safeguards against manipulating the system.

Co-Chair Stedman wondered if the Alaska Municipal League had an opinion on the 20 percent termination rule. Ms. Wasserman replied that she had not addressed the idea with the board. She expressed concern regarding the increase to 20 percent, but stressed that there had been no negotiation or discussion regarding the 20 percent termination rule.

[9:22:51 AM](#)

DOROTHY LEAKE, SELF, CITY OF ANDERSON (via teleconference), spoke in support of SB 100. She explained that Anderson had received a bill from the State Division of Retirement and Benefits for \$27,000 for falling below the 2008 salary floor. She had spent the last two months trying to opt out of the contract, because the City of Anderson had not had a full-time employee since 2008. That one, former employee had been paying into the Public Employees' Retirement System (PERS) in their new job with the State. She stressed that the City of Anderson did not have the money to pay for full-time employees, so therefore could not pay the \$27,000 owed to the Division of Retirement and Benefits.

SALLIE STUVEK, HUMAN RESOURCE MANAGER, FAIRBANKS NORTH STAR BOROUGH, FAIRBANKS (via teleconference), testified in support of SB 100. The Fairbanks North Star Borough was concerned with the current application of the existing statute in regards to the PERS termination studies. In its current form, the termination study requirement impacted all PERS-participating municipalities in a significant way. It "ties the hands" of municipal governments to effectively and efficiently manage their provided services.

DOUG GRIFFIN, CITY OF PALMER, PALMER (via teleconference), testified in support of SB 100. He agreed with the previous testifiers. He stated that the City of Palmer would probably be considered a medium-sized community, but it had faced some recent budget adjustments. The general fund was reduced by 15 percent over the last two fiscal years, and it was difficult for the City of Palmer to pay into the unfunded liability.

[9:28:30 AM](#)

LISA VAUGHN, ACCOUNTANT, NORTH POLE (via teleconference), testified in support of SB 100. Current practice placed an unfair burden on small employers across the state, as many

of the departments and classifications in individual municipalities only have one or two employees.

JENNIFER JOHNSTON, MEMBER, ANCHORAGE ASSEMBLY, ANCHORAGE (via teleconference), testified in support of SB 100. She stated that Anchorage was recently charged with a termination study regarding the discontinued weatherization grant program.

Co-Chair Stedman closed public testimony.

Senator Olson queried Senator Paskvan's position on the 20 percent partial termination study. Senator Paskvan replied that it was a new proposal, but looked forward to more discussions regarding this idea.

Senator Olson wondered if Senator Paskvan would be opposed to an amendment. Senator Paskvan stressed that the proposal was new, and would like to speak with the Alaska Municipal League regarding the proposal's effect on smaller communities.

Senator Paskvan stressed that the problem was an immediate problem that needed to be resolved in a timely manner.

SB 100 was HEARD and HELD in committee for further consideration.

#sb159

SENATE BILL NO. 159

"An Act establishing the Susitna State Forest; and providing for an effective date."

[9:34:23 AM](#)

SENATOR LINDA MENARD, introduced SB 159. She referred to the Sponsor Statement (copy on file).

The Committee Substitute for Senate Bill 159 will establish a new Susitna State Forest from state lands presently used for timber harvest and exclude private in-holdings from the proposed forest. Further, this CS includes intent language that urges the governor to work to acquire or purchase forest land in the Tongass National Forest.

With a state forest designation, the Division of Forestry will be able to manage for a long-term supply of timber to local processors, and retain the land in state ownership for multiple uses. The Susitna State Forest would be the fourth state forest established in Alaska, joining the Haines State Forest, the Tanana Valley State Forest and the Southeast State Forest.

The proposed Susitna State Forest includes 33 parcels totaling approximately 763,200 acres. The parcels are Forestry classified lands located in 14 large management blocks listed below. The Division of Forestry worked with the Division of Mining, Land, and Water Management to identify and exclude lands that are priorities for the state land disposal program.

In the region where the State Forest is proposed, timber sales and personal use sales for fuel wood are growing steadily. Local mills depend on state timber for their raw material supply, and there is a growing interest in the use of wood in the form of round wood, chips or wood pellets for both commercial and residential space heating.

The state is committed to long-term management solutions by:

- maximizing the sustainable supply of timber from the state timber base;
- developing access and encouraging a broad range of multiple uses on state forest lands including motorized uses;
- providing economic opportunities to the communities, businesses and residents of the region.

Legislatively designating a State Forest would ensure that some land will remain available for long-term forest management and the region will retain large open spaces of public lands for the range of benefits residents of the region currently enjoy. It will also allow for mining on state forest land.

The Susitna State Forest would be managed as part of the State Forest System under AS 41.17.200-.230. Lands in the State Forest would continue to be open for multiple uses, including wildlife habitat and harvest and recreational activities.

Senator Menard stated that the current version of the bill provided exclusions for the private land within the proposed boundaries of the State Forests. She stated that there was work with the Division of Forestry and the Division of Land Water and Mining to locate and designate the exclusions. The exclusions had been precisely examined for accuracy. The current version also added intent language on page 31 that urged the governor to acquire or purchase land from the Tongass National Forest. From a fiscal standpoint, the Division of Forestry would not require new positions to administer the State Forests. She remarked that the fiscal note from the Division of Forestry displayed no negative financial impact to the State.

Co-Chair Stedman pointed out the one zero fiscal note from the Department of Natural Resources (DNR).

Senator Thomas surmised that the new designation did not change any existing uses of the land, but only enhanced the forestry aspect. Senator Menard agreed with Senator Thomas's estimation.

[9:40:22 AM](#)

Senator Olson wondered if there was input from any local property areas in the proposed area. Senator Menard replied that she had not heard any opposition from nearby property owners.

Senator Olson wondered if the local people knew of the proposal. He specifically wondered if property owners who were currently harvesting wood for personal use would still be able to obtain wood in that manner. Senator Menard replied that property owners would still be able to harvest the wood, as long as the property owner had a permit.

CHRIS MAISCH, DIRECTOR, DIVISION OF FORESTRY, JUNEAU, emphasized that the state forest lands were managed under the State Forests, Resources, and Practices Act, which was primarily designed to protect fish habitat and water quality. A recent forest inventory was completed on the proposed area, as required by statute, and that information was available on the State's Division of Forestry website. He emphasized that the designation would not change any current activities that were allowed in state forests, and furthered that, over time, many of those activities would be enhanced. He stressed that there was a requirement to

develop access to the proposed state forest, which would be the result of many meetings.

[9:45:49 AM](#)

OWEN GRAHAM, EXECUTIVE DIRECTOR, ALASKA FOREST ASSOCIATION, KETCHIKAN (via teleconference), testified in support of SB 159. He felt that the land could be used for a much improved timber supply for the local mills. He remarked that the Alaska Forest Association member owned a small mill that had been idle for the recent years. He relayed a similar problem in Southeast Alaska, because the federal government controlled more than 90 percent of the timber supply in Southeast. He stressed that when the federal government "took away" the timber supply, 85 percent of timber employment was lost.

RICK ROGERS, EXECUTIVE DIRECTOR, RESOURCE DEVELOPMENT COUNCIL, ANCHORAGE (via teleconference), voiced support of SB 159. He felt that the proposed state forest would provide a much needed benefit to the local economy; and create and sustain much needed jobs in the forest products industry. He also voiced support of the amendment to the bill, which helped address the critical timber supply issues in Southeast Alaska.

Senator Thomas noted the wide variety of letters from various organizations. He wondered if there was a letter from the "National Marmot Association."

Senator Menard urged support of SB 159.

SB 159 was HEARD and HELD in committee for further consideration.

#sb151

SENATE BILL NO. 151

"An Act relating to mitigation at sentencing in a criminal case for a defendant found by the court to have been affected by a fetal alcohol spectrum disorder."

[9:51:32 AM](#)

SENATOR KEVIN MEYER, introduced SB 151. He referred to the Sponsor Statement (copy on file).

SB 151 would include Fetal Alcohol Spectrum Disorders (FASD) as a mitigating factor in sentencing. This would allow some flexibility in sentencing if the defendant is found by the court to be affected by FASD and this condition substantially impaired the defendant's judgment, behavior, and capacity to recognize reality or ability to cope with the ordinary demands of life.

Individuals diagnosed with a fetal alcohol spectrum disorder (FASD) are disproportionately represented within Alaska's criminal justice system. SB 151 does not require a judge to use the mitigating factor and it DOES NOT automatically adjust a presumptive sentence. The defense would have to provide clear and convincing evidence that the defendant's disability significantly affected the defendant's conduct and substantially impaired judgment, behavior, and capacity to recognize reality in order to apply the mitigating factor.

Evidence shows that directing people with mental illness and other brain disorders to supported services, both inside and outside of Corrections, significantly reduces the high financial and social costs associated with re-incarceration and recidivism. Felons and repeat offenders with FASD are more likely to stop committing crimes when they are given the same supports that benefit people with mental illness and other disabilities, which can include Therapeutic Court, housing and employment assistance, case management, counseling and rehabilitation.

Co-Chair Stedman noted the three zero fiscal notes from the Department of Corrections (DOC), DOA, and the Alaska Court System. He also pointed out the indeterminate fiscal note from the Department of Law (DOL).

ANNIE CARPENETI, CRIMINAL DIVISION, DEPARTMENT OF LAW (DOL), testified that the reason the fiscal note from DOL was considered indeterminate was because in order to apply the mitigating factor, it would allow the court to reduce the sentence to 50 percent below the range or reduce the sentence to zero. She expressed concern for the bill, because it was not easy or inexpensive to diagnose the illness. She stressed that individuals were required to

prove by clear and convincing evidence that they suffered from the disease, but if the prosecution disagreed with that position, the prosecution would be required to provide evidence and testimony in the contrary. She stressed that the sentencing hearings in this area would probably be longer and more expensive, because of the testimony and evidence that would need to be adduced at sentencing.

[9:56:45 AM](#)

KATE BURKHART, MEMBER, ADVISORY BOARD ON ALCOHOLISM AND DRUG ABUSE, JUNEAU, testified in support of SB 151. She noted that the cost of intensive mitigating case management was approximately \$50 a day, and incarceration was about \$150 a day. He felt that this bill was a result of a long and thoughtful collaboration, and would save the State money.

TRISH SMITH, VOLUNTEERS OF AMERICA, ANCHORAGE (via teleconference), spoke in support of SB 151. She hoped that it would be very beneficial to those affected by FASD.

DEB EVENSEN, DIRECTOR, FETAL ALCOHOL CONSULTATION TRAINING SERVICES, HOMER (via teleconference), testified in support of SB 151. She felt that the bill would save the State money and help the recidivism rate.

Senator Meyer stated that he had received a note from Judge Jeffrey that expressed support of SB 151. He stressed that the program fit into the Smart Justice Program, and appreciated the support of the committee.

SB 151 was HEARD and HELD in committee for further consideration.

#sb226

SENATE BILL NO. 226

"An Act relating to the purchase by the Alaska Housing Finance Corporation of an office building in Nome; approving the issuance of bonds for the purchase of the office building; providing notice of, and authorizing the commissioner of administration to enter into, a lease-purchase agreement with the Alaska Housing Finance Corporation for the office building; and providing for an effective date."

10:02:17 AM

Co-Chair Hoffman MOVED to ADOPT the proposed committee substitute for SB 226, Work Draft 27-LS1448\B (Bannister 3/30/12). Co-Chair Stedman OBJECTED for purpose of discussion.

Senator Olson stated that SB 226 addressed the immediate need for a state office space in Nome. This was first recognized in 2008. Due to the current seriousness of the need, the governor had proposed \$10 million to continue the process. However, the momentum had stalled because of the question of the location and square footage of the building.

DAVID SCOTT, STAFF, SENATOR DONNIE OLSEN, stated that the bill directed the Alaska Housing Corporation (AHFC) to finance, with bond proceeds, the purchase of a state office building in Nome. It also directed DOA to enter into a lease-purchase agreement with AHFC for the building. The Nome State Office Building was built in 1974, and there were numerous engineering reports from as far back as 1994 noting corrosion damage to the southern side of the building. In 1997, there was a subsequent engineering report, which pointed out structural integrity issues with corrosion of the steel columns.

Co-Chair Stedman REMOVED his OBJECTION. There being NO further OBJECTION, Work Draft 27-LS1448\B was ADOPTED.

Mr. Scott stated that the mechanical systems in the Nome State Office Building were part of the original, 1974 system.

10:05:04 AM

Co-Chair Stedman pointed out one fiscal note from DOA in the amount of \$3.310 million for the operating cost of a new building; and one fiscal note from the Department of Revenue (DOR) on behalf of AHFC in the amount \$2.927 million for the annual rental obligation and AHFC administrative costs.

DOUG WOOLIVER, DEPUTY ADMINISTRATIVE DIRECTOR, ALASKA COURT SYSTEM, testified in support of SB 226 and explained that the courthouse in Nome was old and inadequate. He stated that the Court System was interested in being part of a

joint state office building in Nome, and that this bill would provide that opportunity.

Senator Olson clarified that the State currently leased a court space in the existing federal building in Nome that was built in the 1940s.

DENISE MICHELS, MAYOR, CITY OF NOME, NOME (via teleconference), expressed support of SB 226. She felt that the current state office building was deteriorating rapidly. She stressed the need for increased space, and the need for meeting the current security and technology standards. She stressed that the location desired by the City of Nome was on the north side of Front Street, out of the flood zone. She declared that the location proposal was "in line" with the city's comp plan, and was supported by resolution from the Nome Chamber of Commerce. The proposed location would continue to provide effective delivery of services.

Senator Olson pointed out that the legislation was patterned after the government relationship outlined SB 317, which was the expeditious building of the Anchorage Parking Garage.

SB 226 was HEARD and HELD in committee for further consideration.

#sb179

SENATE BILL NO. 179

"An Act relating to missing vulnerable adult prompt response and notification plans."

SENATOR BETTY DAVIS, introduced herself.

10:10:23 AM

CELESTE HODGE, STAFF, SENATOR BETTY DAVIS, introduced SB 179. She explained the SB 179 created a new statewide alert system to help find vulnerable, missing adults. The system, which was similar to the nationwide Amber Alert program, would help local law enforcement notify the public when a mentally or physically impaired Alaskan goes missing. Alaska had the fastest growing senior population in the nation, and could not afford to ignore the problem. According to the Alaska Commission on Aging, there were

approximately 7,785 Alaskans suffering from Alzheimer's disease and related dementia in 2010. That number was expected to grow to more than 17,000 by 2030. In Fairbanks, a 63-year-old woman who was suffering from Alzheimer's disease froze to death after she became disoriented while driving. She ran out of gas, and tried walking several miles to seek help. This incident, and several others like it, demonstrated the need for an alert system to assist in the search for missing vulnerable adults. When a vulnerable adult goes missing, his or her best chance of survival is if someone finds them within 24 to 48 hours. The bill called for the Department of Military and Veterans Affairs (DMVA) to coordinate with the Department of Public Safety (DPS) to create, and implement a prompt response and notification plan that would use a voluntary network of statewide and local news organizations to rapidly alert the public that a vulnerable adult was missing. The bill also called for both departments to establish standards on what triggered an alert, and when a vulnerable adult was officially considered missing. This legislation would ensure the search for Alaska's most vulnerable citizens happen promptly. Currently, there were 28 states that have implemented or will implement a "silver alert" program, which was an increase of 10 states since the last report.

Co-Chair Stedman noted the two zero fiscal notes from DPS and DMVA.

DENISE DONIELLO, EXECUTIVE DIRECTOR, ALASKA COMMISSION ON AGING, JUNEAU, testified in support of SB 179. She focused her statement on the benefits of older Alaskans, particularly those with Alzheimer's disease and related dementia. Wandering was a significant personal and safety problem for older Alaskans with dementia. According to the Alzheimer's Association, approximately 60 percent of people with dementia may wander at some point during the course of their disease. Nearly one-half of those who wander, if they are not found within 24 hours, can suffer great personal injury. For an older person, who lives in an urbanized area, with heavy motorized traffic conditions, getting lost can have significant life and death consequences.

10:15:19 AM

MARIE DARLIN, AMERICAN ASSOCIATION OF RETIRED PERSONS, JUNEAU, spoke in support of SB 179. She agreed with previous testimony. With more people living longer, the

proposed alert system would prove helpful in many ways. She felt it was reasonable public policy.

PATRICK CUNNINGHAM, ASSOCIATE PROFESSOR, SOCIAL WORK, UNIVERSITY OF ALASKA, ANCHORAGE (via teleconference), testified in support of SB 179. He felt that the proposed system would add to the growing list of services for vulnerable adults and their families.

HEIDI WILLIAMSON, ASSOCIATE STATE AFFAIRS DIRECTOR, ALZHEIMER'S ASSOCIATION, WASHINGTON, D.C. (via teleconference), testified in support of SB 179.

MIKE O'HARE, DEPUTY DIRECTOR, HOMELAND SECURITY AND EMERGENCY MANAGEMENT, DEPARTMENT OF MILITARY AND VETERANS AFFAIRS, FORT RICHARDSON (via teleconference), testified in support of SB 179. She stressed that the first 24 hours that a vulnerable adult goes missing was highly critical. She stressed that it was not the disease that threatened the individuals in the first 24 hours, but the environmental factors and dangers within the community. Most people who wander were found within a 1.5 miles of their home, so she recognized the need for a comprehensive support system.

SB 179 was HEARD and HELD in Committee for further consideration.

#sb210

SENATE BILL NO. 210

"An Act relating to crimes against children; establishing a new aggravating factor at sentencing in certain crimes against children; relating to criminal nonsupport; adding to the list of crimes against children that bar the Department of Public Safety from issuing to a person a license to drive a school bus; adding an exception to a provision that requires the Department of Health and Social Services to make timely, reasonable efforts to provide family support services to prevent out-of-home placement of a child; and providing for an effective date."

[10:20:39 AM](#)

Senator McGuire introduced SB 210. She referred to the Sponsor Statement (copy on file).

On February 8, 2012 the Children's Justice Task Force (CJA) a federally-mandated, state-wide multidisciplinary group presented their findings to the Joint Senate Judiciary and HESS Committees with their system recommendations for improvement through criminal legislation. I became aware through this presentation, research, and other important conversations that we have shortcomings in the current criminal laws regarding the prosecution of harm to children.

Those that suffer from these short comings are Alaska's children and the numbers are staggering. In 2008, approximately 12,400 children were likely victims of at least one incident of maltreatment, which breaks down to 34 children per day. In the instance of a child death, 1 out of every 5 was related to maltreatment.

SB 210 works with the recommendations from CJA to create tougher penalties on crimes committed against a child. The bill will create increased criminal liability for assaults to children by modifying the current definition of "serious physical injury" and increases penalties when a parent intentionally withholds adequate food or liquids.

Together, the Legislature can assist our future generations by providing them with laws that protect their rights and create safer communities for their growth and development.

Co-Chair Stedman noted three fiscal notes from DOA; one zero fiscal note from the Division of Motor Vehicles; two indeterminate fiscal notes from the Office of Public Advocacy and Public Defenders Agency; one zero fiscal note from DPS; and three indeterminate fiscal notes from DOL, DOC, and the Alaska Court System.

ANNIE CARPENETI, ASSISTANT ATTORNEY GENERAL, LEGAL SERVICES SECTION-JUNEAU, CRIMINAL DIVISION, DEPARTMENT OF LAW, stated that the additional paragraph to the definition of "serious physical injury", which had been in statute since 1978, was in addition to the other provisions.

[10:26:09 AM](#)

DR. CATHY BALDWIN-JOHNSON, ALASKA CHILDREN'S JUSTICE TASK FORCE, ANCHORAGE, testified in support of SB 210. She stated that the Children's Justice Task Force was charged with evaluating how the state system responds to concerns about child abuse, and made recommendations to improve the system. She remarked that the current serious injury physical injury definition for felony prosecution required "risk of death" or "serious and protracted disfigurement"; "multiple episodes" or "need for medical diagnoses or treatment." She felt that many children's cases fell through the cracks under that definition, because often serious harms to children were not prosecuted as felonies. She stressed that children have an incredible capacity for high trauma and healing. Those children may require an extensive trauma evaluation, but not actual medical treatment, because an infant or toddler cannot verbalize the abuse. She added that there should be more than a misdemeanor charge for those that intentionally starve children.

Co-Chair Hoffman wondered what the age issues were regarding sexual abuse. Ms. Carpeneti replied that the bill addressed physical abuse. She furthered that sexual abuse of a minor was adequately dealt with in another chapter of the statute.

Senator McGuire invited amendments from the committee members.

SB 210 was HEARD and HELD in committee for further consideration.

Co-Chair Stedman discussed the afternoon's agenda. He remarked that a committee substitute was currently getting drafted from SB 192.

ADJOURNMENT
10:31:57 AM

The meeting was adjourned at 10:31 AM.