

HOUSE FINANCE COMMITTEE
April 19, 2014
8:46 a.m.

8:46:33 AM

CALL TO ORDER

Co-Chair Stoltze called the House Finance Committee meeting to order at 8:46 a.m.

MEMBERS PRESENT

Representative Alan Austerman, Co-Chair
Representative Bill Stoltze, Co-Chair
Representative Mark Neuman, Vice-Chair
Representative Mia Costello
Representative Bryce Edgmon
Representative Les Gara
Representative David Guttenberg
Representative Lindsey Holmes
Representative Cathy Munoz
Representative Steve Thompson
Representative Tammie Wilson

MEMBERS ABSENT

None

ALSO PRESENT

Heather Shadduck, Staff, Senator Pete Kelly; Senator Peter Micciche; Sara Chambers, Director, Division of Corporations, Business and Professional Licensing, Department of Commerce, Community and Economic Development; Senator Fred Dyson; Anne Carpeneti, Assistant Attorney General, Legal Services Section-Juneau, Criminal Division, Department of Law; Nancy Meade, General Counsel, Alaska Court System; Chuck Kopp, Staff, Senator Fred Dyson; Daniel George, Staff, Representative Bill Stoltze; Jesse Logan, Staff, Senator Lesil McGuire; Suzanne Armstrong, Staff, Senator Kevin Meyer; Senator John Coghill, Sponsor; Jordan Shilling, Staff, Senator John Coghill; Ron Taylor, Deputy Commissioner, Department of Corrections.

PRESENT VIA TELECONFERENCE

Pat Pitney, University of Alaska Fairbanks, Fairbanks

SUMMARY

CSSB 64(FIN)

OMNIBUS CRIME/CORRECTIONS/RECIDIVISM BILL

HCS CSSB 64(FIN) was REPORTED out of committee with a "do pass" recommendation and with one new zero fiscal note from the Alaska Court System, one new indeterminate fiscal note from the Department of Law, one new fiscal impact note from the Alaska Court System, one new fiscal impact note from the Department of Corrections, one new fiscal impact note from the House Finance Committee for the Department of Health and Social Services, three previously published zero fiscal notes, FN 8(ADM), FN10 (ADM) and FN13 (GOV), two previously published fiscal impact notes: FN14 (DHS) and FN16 (COR).

CSSB 71(FIN)

PAYMENT OF FISHERY RESOURCE LANDING TAX

HCSCSSB 71 (FIN) was REPORTED out of committee with a "do pass" recommendation and with one previously published zero fiscal note: FN3 (CED) and one previously published indeterminate fiscal note: FN4 (REV).

SB 74

UNIVERSITY OF ALASKA BUILDING FUND

SB 74 was REPORTED out of committee with a "do pass" recommendation and with one new zero fiscal note from the Department of Administration, one new zero fiscal note from the University and one new zero fiscal note from the Department of Revenue.

CSSB 108 (JUD)

CONFIDENTIALITY OF CRIMINAL CASE RECORDS

CSSB 108(JUD) was HEARD and HELD in committee for further consideration.

CSSB 119 (FIN)am

BUDGET: CAPITAL

CSSB 119 (FIN)am was SCHEDULED but not HEARD.

CSSB 218(FIN)

MUNI BOND BANK; UAF HEAT & PWR PLANT

HCS CSSB 218(FIN) was REPORTED out of committee with no recommendation and with two previously published fiscal notes: FN1 (UA) and FN4 (REV).

CSSB 140(FIN)

AIDEA: ARCTIC DEVELOPMENT PROGRAM/FUND

HCSCSSB 140 (FIN) was REPORTED out of committee with a "do pass" recommendation and with previously published fiscal impact note: FN1 (CED).

HCSSB 193 (FIN)

CONTRACTORS: BONDS; LICENSING

HCSSB 193 (FIN) was REPORTED out of committee with a "do pass" recommendation and with one new zero fiscal note from the Department of Labor and Workforce Development and one new zero fiscal note from the Department of Commerce, Community and Economic Development.

#sb74

SENATE BILL NO. 74

"An Act creating the University of Alaska building fund for the payment by the University of Alaska of the costs of use, management, operation, maintenance, and depreciation of space in buildings; and authorizing the Board of Regents of the University of Alaska to designate buildings for which the fund is to be used."

8:47:36 AM

HEATHER SHADDUCK, STAFF, SENATOR PETE KELLY informed the committee that the bill would create a special account in the general fund for the university building fund. The fund was modeled after the public building fund. The university would utilize the long-term sustainable model in an effort

to control deferred maintenance costs. The legislation's intent was for culture change regarding university building maintenance.

Co-Chair Stoltze noted that the last hearing included invited testimony and university presentations. He pointed out the absence of testifiers, both in the room and online.

Co-Chair Stoltze CLOSED public testimony.

[8:49:32 AM](#)

Representative Wilson asked about the Alaska public building fund.

Ms. Shadduck did not know how much the Alaska public building fund was worth.

Representative Wilson stated that an illustration of the fund's success might have provided worthy information for committee members.

Co-Chair Stoltze agreed that a presentation of the comparative model would be helpful.

[8:50:16 AM](#)

Representative Costello discussed the three zero fiscal notes.

Vice-Chair Neuman MOVED to REPORT SB 74 out of committee with individual recommendations and the accompanying fiscal notes. There being NO OBJECTION, it was so ordered.

SB 74 was REPORTED out of committee with a "do pass" recommendation and with one new zero fiscal note from the Department of Administration, one new zero fiscal note from the University and one new zero fiscal note from the Department of Revenue.

[8:51:38 AM](#)

AT EASE

[8:53:10 AM](#)

RECONVENED

#sb193

SENATE BILL NO. 193

"An Act relating to bonds required for contractors."

8:53:19 AM

Co-Chair Stoltze noted that the bill was debated in a previous committee hearing. He stated that the proposed CS deleted the provision for "handyman."

Representative Wilson MOVED to ADOPT the proposed committee substitute for SB 193, Work Draft 28-LS0697\Y (Martin, 4/17/14). Representative Guttenberg objected for the purpose of discussion.

Co-Chair Stoltze asked if the senator was familiar with the intent of the language change in the CS.

SENATOR PETER MICCICHE suggested a misunderstanding regarding the term "handyman." He clarified that the handyman category protected the handyman's interests. A handyman would require a \$5 thousand bond rather than the \$10 thousand expected from a contractor. If a person was not a contractor, the regulations would not be changed. He explained that the decreased bond cost was requested by Alaskan handymen.

8:55:30 AM

SARA CHAMBERS, DIRECTOR, DIVISION OF CORPORATIONS, BUSINESS AND PROFESSIONAL LICENSING, DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT, stated that Department of Commerce, Community and Economic Development experienced frequent requests from handymen for state licensure. She noted that a misconception existed within the community regarding the complex exemption list provided by the department.

Co-Chair Stoltze asked if a handyman would obtain a regular business license.

Ms. Chambers concurred, but noted that the guidelines regarding the necessity of a contractor's license were often confusing. The department believed that codifying a handyman license for the correct professional and business license categories would assist those people seeking the licensure.

[8:57:30 AM](#)

Senator Micciche stated that the change in the CS would move the handyman into a higher category and cost them more for licensing. He believed that the objective of the CS was to save money for the handyman, but instead the change moved them into a more expensive level of bonding. He stated that the bond would cost \$150 to \$250 annually for the entry level, which would protect the handyman and the customer.

[8:58:45 AM](#)

Representative Wilson asked how the CS and original version affected the handyman.

Senator Micciche responded that for earnings less than \$2500 per job nothing changed. He noted that the bill did not alter the laws governing contractors. He clarified that the action of advertising would lead to establishment of a contractor status.

Co-Chair Stoltze noted that advertising was the trigger.

[9:00:27 AM](#)

Representative Wilson pointed out the qualification figure of \$10 thousand.

Senator Micciche responded that prior to the legislation, a contractor required insurance at \$2500, but did not require a bond.

Representative Wilson asked if the CS would cause an expense for the handyman category that was prevented in the original legislation.

Senator Micciche responded that that a lower-level handyman would pay between \$150 and \$250 more for the bond with the CS.

[9:01:52 AM](#)

Ms. Chambers added that the department served many Alaskans seeking business licenses. Many handymen advertised, which required licensure as a general or specialty contractor.

She spoke of 516 investigative matters last year for the construction contractor category. She stated that the Department of Labor and Workforce Development would investigate matters for unlicensed practice. She stated that the legislation would help avoid a \$1000 daily fine for being in business as a handyman without a license.

Representative Wilson understood that the solution was licensure.

Ms. Chambers concurred.

[9:04:04 AM](#)

Vice-Chair Neuman asked for CS version clarification during the committee discussion.

Senator Micciche stated that he had been referring to the original legislation.

Representative Costello asked for version clarification throughout Ms. Chambers' testimony.

Ms. Chambers replied that maintaining the bonding requirement for the handyman category would help accomplish the goal.

Representative Costello asked if Ms. Chambers referred to the original version.

Ms. Chambers concurred.

Representative Holmes OBJECTED. She stated that she would express OBJECTION to the CS as it might cost more money.

[9:06:15 AM](#)

Senator Micciche spoke to the adoption of the CS. He stated that when a handyman advertised in Alaska, a minimum bond of \$10 thousand was required. The cost of the bond was dropped to \$5 thousand for the handyman category.

A roll call vote was taken on the motion to adopt the CS, version Y.

IN FAVOR:

OPPOSED: Neuman, Thompson, Wilson, Costello, Edgmon, Gara, Guttenberg, Holmes, Munoz, Austerman, Stoltze

The MOTION FAILED (11/0).

The workdraft was not adopted.

Representative Holmes expressed better understanding of the bill because of the CS.

[9:09:12 AM](#)

Co-Chair Stoltze asked for amendments.

Representative Costello discussed the two zero fiscal notes.

[9:09:53 AM](#)

Representative Holmes MOVED to REPORT SB 193 (FIN) out of committee with individual recommendations and the accompanying fiscal notes.

[9:10:20 AM](#)

AT EASE

[9:10:33 AM](#)

RECONVENED

Representative Holmes rescinded the prior motion to move the bill. She MOVED conceptual amendment 1, which added the effective date of January 1, 2015. There being NO OBJECTION, it was so ordered.

[9:11:16 AM](#)

Representative Holmes MOVED to REPORT SB 193(FIN), as amended out of committee with individual recommendations and the accompanying fiscal notes. There being NO OBJECTION, it was so ordered.

HCSSB 193(FIN) was REPORTED out of committee with a "do pass" recommendation and with one new zero fiscal note from the Department of Labor and Workforce Development and one new zero fiscal note from the Department of Commerce, Community and Economic Development.

[9:21:55 AM](#)

AT EASE

[9:36:17 AM](#)

RECONVENED

#sb108

CS FOR SENATE BILL NO. 108(JUD)

"An Act relating to the confidentiality of certain records of criminal cases; and providing for an effective date."

[9:36:29 AM](#)

Co-Chair Stoltze noted that the CS was introduced at the request of the administration.

SENATOR FRED DYSON took issue with the CS. He stated that the CS eliminated a crucial effort to protect privacy.

Vice-Chair Neuman MOVED to ADOPT the proposed committee substitute for CSSB 108(JUD), Work Draft 28-LS0973\G, (Strasbaugh, 4/14/14). Co-Chair Stoltze OBJECTED for discussion.

[9:38:41 AM](#)

ANNE CARPENETI, ASSISTANT ATTORNEY GENERAL, LEGAL SERVICES SECTION-JUNEAU, CRIMINAL DIVISION, DEPARTMENT OF LAW testified in favor of good balance regarding the legislation. The balance included privacy for those people mistakenly charged or arrested and those people who should not be protected.

Representative Costello requested an explanation of the CS.

[9:40:18 AM](#)

Ms. Carpeneti explained that the CS proposed that records be removed from Court View for confidentiality. The records included those where a person was arrested without a charge from a prosecuting authority or probable cause. The difference was that cases for people acquitted after a jury trial were not removed. She informed the committee that when a person was acquitted by a jury, the charges were not established by proof beyond a reasonable doubt, but

acquittal did not prove that the person did not commit the offense with probable cause in support of the crime.

[9:41:24 AM](#)

Representative Munoz asked if a person would apply to have the cases removed from Court View after an acquittal.

Ms. Carpeneti replied that the course would remain public, as stated in the CS.

[9:42:09 AM](#)

Representative Munoz asked about the situations where cases were removed from Court View.

Ms. Carpeneti understood that an application for removal of cases was not necessary in either version of the bill.

Co-Chair Stoltze asked Vice-Chair Neuman to chair the remainder of the meeting.

[9:42:33 AM](#)

Ms. Carpeneti asked if her explanation of the CS was adequate.

[9:43:32 AM](#)

Vice-Chair Neuman took the gavel.

Representative Wilson commented about the lack of process regarding whether a person remained on Court View. She noted that an application for removal of a case or name from Court View would provide the necessary process.

Ms. Carpeneti agreed that a process like the one suggested by Representative Wilson could provide another solution. She highlighted the importance of advertising a pattern of theft or domestic violence.

[9:45:13 AM](#)

Representative Gara asked if a lack of evidence could lead to dropping a charge.

Ms. Carpeneti replied yes.

Representative Gara pointed out page 2, line 2 of the CS stating that a person with a dropped charge would remain on Court View.

Ms. Carpeneti replied yes.

Representative Gara discussed a case where an innocent person had charges dropped and asked Ms. Carpeneti if innocent people might remain on Court View.

Ms. Anne Carpeneti replied that if a case was presented to a grand jury who then returned a no true bill, the Court View documentation would be removed. She added that a finding of no probable cause at a bail hearing would also remove the case from Court View.

Representative Gara asked if the crime was a misdemeanor and the prosecution dropped the charge for lack of evidence, would the person remain on Court View.

Ms. Carpeneti explained that if a person was charged by a law enforcement officer, and the case was screened out by the law office, a charging document would not be filed.

[9:46:50 AM](#)

Representative Gara wondered about a case with a misdemeanor charged and tried without a grand jury. In the hypothetical scenario, the evidence was not present and the charge was dropped, yet the accused person's name would remain on Court View.

Ms. Carpeneti disagreed and explained that the charging document would not have been filed during the screening process in the law office.

Representative Gara repeated his question differently. He asked if the prosecution filed a charge against a person and found later that the person was innocent, the CS stated if the charge was dropped, the case would remain on Court View.

Ms. Carpeneti replied correct. She agreed that the CS was not perfect but she believed that the CS allowed for the best balance to protect the public and people who were mistakenly charged.

[9:48:22 AM](#)

Representative Gara agreed that the criminal justice system was imperfect. He acknowledged that some criminals and drunk drivers had never been charged and were not on Court View. Given that the system was imperfect, he believed in protection of the innocent people first.

[9:49:30 AM](#)

Ms. Carpeneti stated that people addressed in the CS had a probable cause finding.

Representative Gara disagreed. He pointed to line 2, sentence 2, where it was stated that there was no grand jury in misdemeanor cases.

Ms. Carpeneti agreed, but stated that a misdemeanor was arraigned by a municipal officer.

Representative Gara asked why the misdemeanor whose charges were dropped should remain on Court View.

[9:50:30 AM](#)

Ms. Carpeneti suggested that the policy decisions were for the committee to make. She opined that the balance was better in the CS, but acknowledged that the decisions were difficult.

Representative Gara apologized for his argumentative tone.

Ms. Carpeneti asked about dangerous people who would be removed from Court View and kept in confidential files. She opined that the CS allowed for the better judgment regarding the decision about removing names from Court View. She stated that the original bill allowed dangerous people to be removed from Court View and made their files confidential.

Vice-Chair Neuman clarified that the comments made by Ms. Carpeneti were her opinion.

Ms. Carpeneti stated that the administration shared her opinion.

Representative Costello asked for clarification regarding the innocent until proven guilty. She asked if the administration agreed with the statement.

Ms. Carpeneti clarified that the term guilty in the legal system referred to guilt by proof beyond a reasonable doubt by a jury of 12 people. She agreed that a person should not be sent to jail unless the prosecution could establish proof beyond a reasonable doubt. She believed that a person should be able to review the Court View document. She added that the Court View document specified that the list did not include convictions, but only warnings. She believed that people should have access to the information unless no probable cause was established or the state or prosecuting authority did not file charges.

[9:53:32 AM](#)

Representative Costello mentioned that the language in the original version of the bill focused on the acquitted defendant. She noted that the CS focused the language toward the prosecuting authority on line 2, page 2 and the judicial officer on line 4, page 2. She asked why the shift away from the innocent occurred in the CS.

[9:54:41 AM](#)

Ms. Carpeneti stated that the entities such as the jury, the judge, and the prosecuting authority traditionally made decisions regarding criminal charges. She characterized the shift as one away from a jury's decision.

Representative Costello discussed testimony on the original bill regarding the demographic interested in Court View. She asked the response to the testimony heard interpreting guilt following an arrest.

Ms. Carpeneti agreed that the issue was troubling. She assumed that the population was informed and warned that charges did not indicate convictions. She suggested further education about Court View and stated that many people were listed on the sight for one reason or another. If a person remained on Court View, it was because a judicial entity suspected probable cause to charge the person.

[9:57:35 AM](#)

Representative Costello asked about the CS, line 9, page 2.

Ms. Carpeneti discussed the exception and noted the presence in most iterations of the bill. The section addressed people who worked for the Department of Health and Social Services regarding decision making related to the welfare of the child and adult with a disability. The information available to the department personnel allowed them to provide a safe situation for a disabled person or child in need.

Representative Costello asked if the section was in the original version of the bill.

Ms. Carpeneti did not recall, whether the section was in the original version of the bill.

[9:59:56 AM](#)

Representative Costello acknowledged that the sponsor concurred that the section was in the original version of the bill.

Vice-Chair Neuman appreciated the representative's questions.

[10:00:01 AM](#)

Representative Holmes discussed Court View. She expressed concern about other aspects of the bill. She expressed greater concern with the fact that the bill sealed records of cases removed from Court View. She expressed discomfort with the earlier versions of the bill and appreciated the CS most for its tailored approach. She noted that a person might have a long list of arrests without conviction, whose records would be confidentially sealed. She expressed extreme discomfort with the broad language included in the original bill. She argued that Court View was a different matter. She appreciated Representative Wilson's idea to petition to have a case removed from Court View. She requested the opinion of the administration regarding the sealing of court records.

[10:03:24 AM](#)

Ms. Carpeneti shared the concern that the records would be deemed confidential. She shared a history of the bill. She

agreed that the physical files and those found electronically on Court View were connected. She understood that a proposed court rule could separate Court View documents from the paper ones in the court building. She stated that neither version of the bill decoupled the electronic from the paper records. She agreed with the gravity of the concern.

Representative Holmes clarified that the language in the CS would also seal the records.

10:04:53 AM

Representative Thompson revisited the statements made by Representative Gara. He noted the hypothetical case where charges were made for a reason, but dismissed for lack of evidence. The case would remain on Court View and affect a person's ability to achieve employment.

Ms. Carpeneti understood the serious concern. She suggested that maybe the CS did not extend far enough in the circumstance mentioned. She preferred the CS to the regular bill in terms of public protection. She suggested that the committee "fine tune" paragraph one of the CS. She offered to help the committee work to implement their suggestions.

10:06:55 AM

Representative Wilson suggested that a representative from the Alaska Court System join the conversation. She understood that the automatic withdrawal of some cases added to the concern from the judicial and court system.

10:07:34 AM

NANCY MEADE, GENERAL COUNSEL, ALASKA COURT SYSTEM, stated that with either version of the bill, the qualifying cases would be made confidential automatically both on Court View and in paper form. She expressed concerns with the work draft and the concerns of automatic removal of cases without petition. She asked if the filing of a petition with a questionnaire might allow for more comfort in the bill.

Ms. Meade stated that the court was neutral on the bill. The petition would have a tremendous fiscal impact on the court system. She stated that 9,508 misdemeanors were

dismissed last year and an influx of petitions would increase the caseload and cost. She believed that the sponsor's decision to avoid the use of petition was due to the high fiscal impact.

[10:09:52 AM](#)

Representative Wilson expressed concern about the number of misdemeanors on Court View. She suggested a fee for the petition.

[10:10:27 AM](#)

Representative Holmes asked about steps taken by the court system to address the issue. She was interested in the separation of Court View as an administrative court function from sealing confidential records.

[10:11:07 AM](#)

Ms. Meade responded that two of the three categories of cases covered in the CS included those with no probable cause and no charging documents filed were addressed in a draft court rule. She noted that the court had an administrative rule that eliminated certain cases from Court View. The Supreme Court determined that the cases should not be posted because of the ease with which the information could be accessed. She anticipated the adoption of the proposed rule within the next 60 days, which would remove a criminal case from Court View that was dismissed because the prosecuting authority declined to file a charging document. Also, removed would be a case dismissed for lack of probable cause. She opined that the bill was not necessary because of the proposed court rule already in the public comment process. The cases mentioned were much less controversial.

[10:13:28 AM](#)

Vice-Chair Neuman requested clarification regarding the version of the bill being discussed.

Ms. Meade responded that the two of the categories addressed in the CS were covered in the court rule. She stated that the court rule was less excessive because the paper record remained accessible. The items covered in the original version of the bill included all cases that

resulted in full dismissal. Full acquittals were not covered in the court rule.

10:14:20 AM

Representative Gara asked about a case where the prosecution charged, but the charge was dropped prior to the trial. He asked if the people would remain on Court View after the adoption of the court rule.

Ms. Meade replied yes.

Representative Gara asked if a person was charged by the prosecution, and the case was dismissed under the original bill, would the case be removed from Court View. He hypothetically suggested that a person was charged with a crime and the prosecution realized after interviewing witnesses that the case was poor, so the charge was dropped. He asked if the person would remain on Court View under the proposed rule considered by the court.

Ms. Meade replied yes.

Representative Gara clarified that legislative intent was indicated to protect people in the hypothetical scenario.

Ms. Meade agreed and noted that the initial version of the bill would protect those people in the hypothetical scenario.

Representative Gara stated that under the CS, a person wrongly imprisoned would remain on Court View because they were indicted by a grand jury.

Ms. Carpeneti concurred and noted that the 9000 dismissed misdemeanors addressed a majority of cases dismissed as a result of a plea agreement where the defendant agreed to plead guilty to one charge, while the other charges were dismissed. She wanted to clarify that mistakenly charged misdemeanors were relatively rare in the state.

10:17:18 AM

Ms. Meade disagreed and noted that the number of misdemeanors quoted were those completely closed by dismissal where there was no guilt found on any of the charges in the case.

Ms. Carpeneti stood corrected.

Vice-Chair Neuman requested Senator Dyson's presence at the testifier table.

10:18:02 AM

Representative Guttenberg asked about the three scenarios provided in the original bill. He asked if an administrative procedure was available to appeal for the removal of one's name from Court View.

Ms. Meade replied that a rule existed allowing a person to make their case confidential. She noted that a weighing process existed to allow discernment for removal of names or cases from Court View. The court would not remove a name or case from Court View for reasons of privacy.

Ms. Carpeneti mentioned a procedure in AS.12.62 where a person could have a name or case removed from the Alaska Public Safety Information Network.

10:19:59 AM

Senator Dyson expressed frustration with the Department of Law and the Alaska Court System regarding the legislation. He informed the committee about his multiple requests to the Department of Law regarding obsolete items in the criminal code. He mentioned his frustration regarding the CS introduced at the last moment. He stated that he first read the CS eight minutes prior to the meeting. He agreed that the criminal justice system was flawed. He stated that the procedure for removing one's name from Court View was ineffective. The procedure allowed a person to visit the head of the resting department to petition for removal of a name or case from Court View. Wrongful arrest must be ruled in order for a name or case to be removed from Court View. He suggested that a police department admitting to wrongful arrest was unlikely. He stated that practical matters would arise, but opposition to the bill came from one person who was passionate about protecting victims.

10:24:42 AM

CHUCK KOPP, STAFF, SENATOR FRED DYSON, attempted to alleviate Representative Holmes's concerns about the

legislation. He stated that the conservative approach of Court View allowed for maximum details to remain on the site, even when a plea was accepted in a misdemeanor case. The bill addressed cases where all charges were acquitted to restore the presumption of innocence to people who were not tried or were acquitted. He recalled experiences as a police officer when prosecutors questioned the system. He opined that the standard of perfect innocence was not the goal of the legislation. The bill obtained a balance because it required all charges to be dismissed. He noted the exceptions provided at the administration's request for all health and social services agencies responsible for the safety of children and vulnerable adults.

Mr. Kopp stressed that the original version of the bill addressed the balance that the sponsor sought.

[10:28:55 AM](#)

Mr. Kopp stated quoted a trial before the Roman Senate.

Representative Holmes appreciated the effort to find the right balance between protecting people who were falsely arrested and the public's right to information. She asked about the original version and whether restraining orders and multiple charges of domestic violence where the victim recanted would remain on the site.

[10:30:16 AM](#)

Senator Dyson replied that the court rule would remove the cases because so many of them were spurious and often related to custody matters. He shared a story about a friend released from Goose Creek Correctional Center for domestic violence charges.

[10:31:17 AM](#)

Representative Holmes asked the difference between Court View and the paper records. She asked about the sponsor's primary interest regarding the sealing of public records at the courthouse.

Mr. Kopp replied that the concern was the technological advances that allowed for maximum exposure via Court View. He pointed to the legislative intent section at the beginning of the bill stating "to the extent practicable

the court will state records confidential." He stated that the fiscal note would be enormous if files were sealed. The records from the date of enactment of the bill would be deemed confidential upon passage of the legislation. He emphasized that confidential and sealed were two very different actions. He noted that any individual with a written order from the court would allow a balancing test to be outweighed by a legitimate interest in confidentiality. He clarified that a judge was the only person allowed to view a sealed record.

[10:34:29 AM](#)

Representative Holmes stated that the Alaska Court System would look to the legislature for guidance on the issue. She expressed some concern about Court View, but was most concerned about the sealing of paper records. She expressed concerns about some citizen's questionable histories and the protection of herself and the public.

Vice-Chair Neuman noted that there had been a robust discussion on the bill. The bill would be heard again later.

Representative Gara asked to address a concept that had arisen. He would address his question at a later time.

CSSB 108(JUD) was HEARD and HELD in committee for further consideration.

[10:37:21 AM](#)

RECESSED

[4:28:05 PM](#)

RECONVENED

#sb140

CS FOR SENATE BILL NO. 140(FIN)

"An Act creating the Arctic infrastructure development program and fund in the Alaska Industrial Development and Export Authority; and relating to dividends from the Alaska Industrial Development and Export Authority."

[4:28:23 PM](#)

Vice-Chair Neuman MOVED to ADOPT the proposed committee substitute for CSSB 140(FIN), Work Draft 28-LS1246\B, (Martin, 4/19/14).

Co-Chair Stoltze OBJECTED for discussion.

DANIEL GEORGE, STAFF, REPRESENTATIVE BILL STOLTZE, explained the changes in the CS. He pointed to section 10, page 7 related to qualified infrastructure development powers and duties of the authority. He stated that a section was removed regarding the financing of federally managed fisheries in the arctic.

Co-Chair Stoltze commented about loans for large fishing boats.

JESSE LOGAN, STAFF, SENATOR LESIL MCGUIRE, relayed that there was no objection to the CS from the sponsor.

Co-Chair Stoltze WITHDREW his OBJECTION. There being NO further OBJECTION, it was so ordered.

Mr. Logan discussed the legislation creating an arctic infrastructure fund within AIDEA. The purpose of the fund and its financing limitations was to create incentives to attract private investments for infrastructure in the arctic. He commented on changes in the arctic leading to challenges and opportunities. He stated that the provision of adequate infrastructure was imperative for positioning the state in the new arctic paradigm. The sponsor did not seek to capitalize the fund, but the creation of the fund sent a signal to the international investment community about business opportunities in Alaska.

[4:32:24 PM](#)

Co-Chair Austerman addressed the underlying premise of the legislation. He supported the concept of expanding fisheries in the arctic, but stressed that better infrastructure was necessary to help development.

Co-Chair Stoltze asked if there were any amendments to the bill.

Representative Munoz appreciated Representative Herron's efforts on the bill.

Representative Costello addressed the previously published fiscal impact note from the Department of Commerce, Community and Economic Development.

Co-Chair Austerman MOVED to REPORT HCSCSSB 140 (FIN) out of committee with individual recommendations and the accompanying fiscal note.

HCS CSSB 140 (FIN) was REPORTED out of committee with a "do pass" recommendation and with previously published fiscal impact note: FN1 (CED).

[4:35:12 PM](#)

AT EASE

[4:36:07 PM](#)

RECONVENED

#sb71

CS FOR SENATE BILL NO. 71(FIN)

"An Act relating to the fishery resource landing tax."

[4:36:07 PM](#)

Vice-Chair Neuman MOVED to ADOPT the proposed committee substitute for CSSB 71(FIN), Work Draft 28-LS0594\H (Bullard, 4/19/14).

Co-Chair Stoltze OBJECTED for discussion.

DANIEL GEORGE, STAFF, REPRESENTATIVE BILL STOLTZE, explained the changes in the CS. He pointed to language on page one adding a provision for an effective date. He pointed to page two, lines 21-28 including language changes related to tax payers electing to use the method. He stated that the sponsor and the Department of Revenue supported the change. The change was specified related to the notification by the taxpayer and the subsequent tax liability. He continued with section 4, line 29 and the addition of uncodified law pertaining to the transition and implementation of the bill. Section 5 addressed retroactivity to January 1, 2014. Section 6 included the newly added effective date.

Co-Chair Stoltze WITHDREW his OBJECTION. There being NO OBJECTION, it was so ordered.

4:38:40 PM

Representative Munoz MOVED to ADOPT Amendment 1, 28-LS0594\H.1, Bullard, 4/19/14, (copy on file).

Page 1, line 1, following "tax":
Insert "and cost recovery fisheries"

Page 1, following line 3:
Insert new bill sections to read:

* Section 1. AS 16.10.455(c) is amended to read:

(c) As a condition of participation in a common property salmon fishery in a terminal harvest area under this section, a fisherman who participates in the fishery is subject to the payment of the assessment levied under (d) of this section on the projected value of the salmon or on the pounds of salmon harvested. The assessment is levied on the [VALUE OF] salmon that the fisherman takes in the terminal harvest area and sells to a licensed buyer. The buyer of the salmon must be licensed under AS 43.75, and the buyer shall collect the assessment on salmon taken in a terminal harvest area at the time of purchase and remit the assessment to the Department of Revenue in accordance with regulations adopted by the Department of Revenue.

* Sec. 2. AS 16.10.455(d) is amended to read:

(d) The Department of Revenue may, by regulation, annually, by March 1 of each year, set the [RATE OF THE] assessment levied on salmon taken in a terminal harvest area in consultation with the Department of Commerce, Community, and Economic Development, the hatchery permit holder, and representatives of affected commercial fishermen. The [RATE OF THE] assessment shall provide sufficient revenue to cover debt service to the state, reasonable operating expenses, reasonable maintenance expenses, and development or maintenance of a reserve fund up to 100 percent of annual operating costs of the hatchery permit holder. In setting the [RATE OF THE] assessment, the department shall consider the estimated return and harvest of salmon in the terminal harvest area, the projected price to be paid for salmon in the region, the amount of the existing reserve held by the hatchery permit holder, and the amount by which the assessment collected in previous

years exceeded or fell short of the amount anticipated to be collected. The [TOTAL RATE OF THE] assessment may not exceed 50 percent of the value of the salmon. The department may levy the assessment as a percentage of the projected value of the salmon returning to the terminal harvest area or as a flat rate on each pound of salmon harvested in the area, to the nearest whole cent."

Page 1, line 4:
Delete "Section 1"
Insert "Sec. 3"

Renumber the following bill sections accordingly.

Page 3, line 3:
Delete "secs. 1 - 3"
Insert "secs. 3 - 5"

Page 3, line 4:
Delete "sec. 3"
Insert "sec. 5"

Page 3, line 4:
Delete "Sections 1 - 3"
Insert "Sections 3 - 5"

Co-Chair Stoltze OBJECTED for discussion.

Representative Munoz explained the amendment addressing the method used by hatcheries to determine the assessment on the revenues collected on fish returning to the hatchery area. She stated that the assessment was set as a percentage on the fish. The current assessment was 20 percent. She noted that the issues faced by the hatcheries included the variety of payments for the fish. The 20 percent was set allowing for variation on hatchery payments. She highlighted the option of percentage or flat rate, which would be based on a projected value of salmon returning to the hatchery area. The assessments were paid to the Department of Revenue who appropriated the funds to the hatchery for operations. The amendment was supported by all state hatcheries along with the Southeast Saners Association.

SENATOR PETER MICCICHE, SPONSOR, supported the amendment.

Co-Chair Stoltze WITHDREW his OBJECTION. There being NO further OBJECTION, Amendment 1 was ADOPTED.

Representative Costello addressed the two fiscal notes including one previously published indeterminate fiscal note from the Department of Revenue and one previously published zero fiscal note from the Department of Commerce, Community and Economic Development.

Vice-Chair Neuman MOVED to REPORT HCS CSSB 71(FIN) out of committee with individual recommendations and the accompanying fiscal notes.

HCS CSSB 71(FIN) was REPORTED out of committee with a "do pass" recommendation and with one previously published zero fiscal note: FN3 (CED) and one previously published indeterminate fiscal note: FN4 (REV).

Senator Micciche thanked the committee for its work on the bill.

[4:43:59 PM](#)

AT EASE

[4:45:16 PM](#)

RECONVENED

#sb218

CS FOR SENATE BILL NO. 218(FIN)

"An Act relating to financing; relating to the Alaska Municipal Bond Bank Authority; authorizing the University of Alaska to issue bonds to finance the design, construction, acquisition, and equipping costs of the University of Alaska Fairbanks heat and power plant; authorizing the University of Alaska to borrow money from the Alaska Municipal Bond Bank Authority to finance the design, construction, acquisition, and equipping costs of the University of Alaska Fairbanks heat and power plant; and providing for an effective date."

[4:45:16 PM](#)

Vice-Chair Neuman MOVED to ADOPT the proposed committee substitute for CSSB 218(FIN), Work Draft 28-LS1567\P (Wallace, 4/19/14).

Co-Chair Stoltze OBJECTED for discussion.

DANIEL GEORGE, STAFF, REPRESENTATIVE BILL STOLTZE, explained the changes in the CS. The first change was found on page 4, line 17 related to the bonds or notes in principal for the purpose of providing loans to the University of Alaska that was changed from \$150 million to \$87.5 million. Page 5, line 29 addressed the legislative approval for loan authorization for the University of Alaska Fairbanks Heat and Power Plant was previously stated at \$150 million and changed to \$87.5 million. He stated that the amendments were clarifying.

Co-Chair Stoltze WITHDREW his OBJECTION. There being NO further OBJECTION, it was so ordered.

SUZANNE ARMSTRONG, STAFF, SENATOR KEVIN MEYER, thanked the committee for its time and work on the CS.

Representative Gara asked what portion of the debt service would be repaid by university receipts and what portion would be paid by the state per the language in the bill.

PAT PITNEY, UNIVERSITY OF ALASKA FAIRBANKS, FAIRBANKS (via teleconference), replied that the university would pay \$70 million, while the state would pay \$87.5 million.

[4:48:34 PM](#)

Co-Chair Stoltze believed the bill had been vetted in the past meeting.

Representative Costello addressed the two previously published fiscal notes including one fiscal impact note from the University of Alaska and one fiscal impact note from the Department of Revenue.

Representative Costello referred to page 2 of the DOR fiscal note and the lack of reflection of changes made in the CS.

Ms. Armstrong replied that the original version of the bill established the cap of \$150 million, while the CS changed the cap to \$87.5 million. She directed members to page 6, line 4 of the bill which enumerated the anticipated annual

payment amount of \$7 million as reflected in the fiscal note.

4:51:41 PM

Representative Costello replied that the bill allowed for \$87.5 million, while the fiscal note documentation reflected the original bill's intent.

Co-Chair Stoltze noted that the issue would be debated in conference committee.

Representative Thompson MOVED to REPORT HCSCSSB 218(FIN) out of committee with individual recommendations and the accompanying fiscal notes. There being NO OBJECTION, it was so ordered.

HCS CSSB 218(FIN) was REPORTED out of committee with no recommendation and with two previously published fiscal notes: FN1 (UA) and FN4 (REV).

Co-Chair Stoltze noted that the fiscal notes would be updated in the conference committee.

4:53:47 PM

AT EASE

5:02:21 PM

RECONVENED

#sb64

CS FOR SENATE BILL NO. 64(FIN)

"An Act relating to theft and property offenses; relating to the definition of 'prior convictions' for certain theft offenses; establishing the Alaska Criminal Justice Commission and providing an expiration date; relating to the crime of custodial interference; relating to the duties of the Alaska Judicial Council; relating to jail-time credit for offenders in court-ordered treatment programs; relating to conditions of release, probation, and parole; relating to duties of the commissioner of corrections and board of parole; establishing a fund for reducing recidivism in the Department of Health and Social Services; requiring the commissioner of health and social services to establish programs for

persons on conditions of release or probation that require testing for controlled substances and alcoholic beverages; requiring the board of parole to establish programs for persons on parole that require testing for controlled substances and alcoholic beverages; relating to the duties of the Department of Health and Social Services; and providing for an effective date."

[5:02:25 PM](#)

Co-Chair Stoltze noted that the administration was largely responsible for the CS.

Vice-Chair Neuman MOVED to ADOPT the proposed committee substitute for CSSB 64(FIN), Work Draft 28-LS0116\Q (Gardner, 4/19/14).

Representative Holmes OBJECTED for discussion.

Co-Chair Stoltze noted that his staff would discuss the changes in the CS.

SENATOR JOHN COGHILL, SPONSOR, commented that his staff was alert to any changes in the bill.

Co-Chair Stoltze concurred.

DANIEL GEORGE, STAFF, REPRESENTATIVE BILL STOLTZE, explained the changes in the CS. He discussed items that had been removed from the bill including the reduction of penalties for offenders successfully completing court ordered treatment programs for persons convicted of driving under the influence relating to termination of a revocation of a person's driver's license. Limitations of driver's licenses and restoration of a driver's license were also addressed in the CS. He added changes related to confidentiality of certain records of criminal cases and the reduced recidivism item, which was changed from a fund to a program.

Mr. George noted that the former section 1 of the bill had been removed. The section included a provision in SB 108. He moved to former sections 28, 29, 30 and 31, which had been removed.

Senator Coghill asked about the provisions that had been removed.

Mr. George replied that the provisions related to the limited licenses and confidentiality report records.

Co-Chair Stoltze noted that the changes were before the committee as individual amendments.

Mr. George pointed to section 27, page 16, line 30 addressing electronic monitoring for individuals in a private residence or community residential center. He discussed the removal of a section related to driver's license revocation. He pointed out section 31, page 21, lines 13 and 14 addressing the report to the legislature by electronic means. He continued with section 32, page 22 including the Alaska Criminal Justice Commission's membership and staff. Item 7 was changed to Commissioner of Corrections or their designee. Item 8 was changed to Commissioner of Public Safety or designee and item 9 was changed to an active duty member of a municipal law enforcement agency. The commission included 13 individuals with 11 voting members and previously included 11 individuals with 9 voting members.

[5:08:09 PM](#)

Mr. George continued to address changes in the legislation. He pointed to page 23, line 15 related to the powers and duties of the commission. He pointed to item 7, which was changed and new item 10.

Senator Coghill relayed that the item was under the powers and duties of the commission. He expressed agreement with the items.

Mr. George moved to page 24, items K and L on lines 25 through 28. He noted the removal of a previous item related to the over-classification of prisoners. He stated that the word efficacy replaced the word effects on line 26 of page 24. He pointed to section 33, page 25, lines 5-7 addressing the criminal justice commission's establishment of date and staffing from the judicial council.

[5:11:27 PM](#)

Mr. George moved to page 26, lines 10 through 20 and language relating to the recidivism reduction program. He noted that references to the creation of the fund were removed. He stated that language that allowed the commissioner to enter into contracts to provide for programs in the section was added as seen on lines 17 through 20.

Senator Coghill provided comments on the changes. He stated that he could understand the removal of the drivers licenses provisions; it had been difficult to arrive at a solution. He believed the policy was straightforward. He stated that he liked the idea of a private attorney on the commission. He understood the change to police force.

Co-Chair Stoltze explained that a private attorney was rarely a prosecutor.

Senator Coghill replied that he sought a candidate that was not employed by the state. He agreed with the solution of the police force.

Co-Chair Stoltze stated that he had considered a union member because of the unfettered opinion.

Senator Coghill opted for a small commission.

Co-Chair Stoltze stated that he would not recommend a larger commission.

Senator Coghill stated the difficulty increasing beyond the \$750 felony level.

[5:15:07 PM](#)

Representative Gara pointed to page 28, line 3 of the bill and wondered if a typo was missed. He wished to verify that "prosecutions" meant cases that were charged "on or after" as interpreted by the Courts.

Co-Chair Stoltze replied that the language would be clarified before the bill was moved.

Representative Gara pointed to another area where he thought words may be missing.

Co-Chair Stoltze directed staff to review the language. He commented that the committee was waiting on a draft CS of the capital budget.

Co-Chair Stoltze WITHDREW his OBJECTION. There being NO further OBJECTION, the Work Draft 28-LS0116\Q was ADOPTED.

Co-Chair Stoltze appreciated that an alcohol provision had been removed from the bill.

5:18:48 PM

RECESSED

8:43:02 PM

RECONVENED

Co-Chair Stoltze brought the meeting back to order.

JORDAN SHILLING, STAFF, SENATOR JOHN COGHILL offered to detail the bill.

Co-Chair Stoltze replied that the committee understood the bill. He initiated the amendment process.

Representative Holmes MOVED to ADOPT conceptual Amendment 1.

Page 18, following line 20:

Insert a new bill section to read:

"* Sec. 30. AS 28.15.201(d) is amended to read:

(d) A court revoking a driver's license, privilege to drive, or privilege to obtain a license under AS 28.15.181(c), or the department when revoking a driver's license, privilege to drive, or privilege to obtain a license under AS 28.15.165(c), may grant limited license privileges if

(1) the revocation was for a misdemeanor conviction under AS 28.35.030 or a similar municipal ordinance and not for a violation of AS 28.35.032;

(2) [THE PERSON

(A) HAS NOT BEEN PREVIOUSLY CONVICTED AND THE LIMITED LICENSE IS NOT GRANTED DURING THE FIRST 30 DAYS OF THE PERIOD OF REVOCATION; OR

(B) HAS BEEN PREVIOUSLY CONVICTED AND THE LIMITED LICENSE IS NOT GRANTED DURING THE FIRST 90 DAYS OF THE PERIOD OF REVOCATION;

(3)] the court or department requires that the person either

(A) [TO] use an ignition interlock device during the period of the limited license whenever the person operates a motor vehicle in a community not included in the list published by the department under AS 28.22.011(b) and, when applicable, [(A)] the person provides proof of installation of the ignition interlock device on every vehicle the person operates; or

(B) submit to daily testing as required under AS 47.38.020 in place of the use of the ignition interlock device; use of daily testing in place of an ignition interlock device under this subparagraph is conditioned upon the person's not violating the requirements of the program established in AS 47.38.020; if the person violates those requirements, the court or the department shall

(i) revoke the person's limited license; or
(ii) require the use of an ignition interlock device as provided in (A) of this paragraph and shall require the person to continue to submit to daily testing as required under AS 47.38.020 [THE PERSON SIGNS AN AFFIDAVIT ACKNOWLEDGING THAT

(i) OPERATION BY THE PERSON OF A VEHICLE THAT IS NOT EQUIPPED WITH AN IGNITION INTERLOCK DEVICE IS SUBJECT TO PENALTIES FOR DRIVING WITH A REVOKED LICENSE;

(ii) CIRCUMVENTING OR TAMPERING WITH THE IGNITION INTERLOCK DEVICE IS A CLASS A MISDEMEANOR; AND

(iii) THE PERSON IS REQUIRED TO MAINTAIN THE IGNITION INTERLOCK DEVICE THROUGHOUT THE PERIOD OF THE LIMITED LICENSE, TO KEEP UP-TO-DATE RECORDS IN EACH VEHICLE SHOWING THAT ANY REQUIRED SERVICE AND CALIBRATION IS CURRENT, AND TO PRODUCE THOSE RECORDS IMMEDIATELY ON REQUEST];

(3) [(4)] the person is enrolled in and is in compliance with or has successfully completed the alcoholism screening, evaluation, referral, and program requirements of the Department of Health and Social Services under AS 28.35.030(h);

(4) [(5)] the person provides proof of insurance as required by AS 28.20.230 and 28.20.240; and

(5) [(6)] the person has not previously been convicted of violating the limitations of an ignition interlock limited license or been convicted of violating the provisions of AS 28.35.030 or 28.35.032 while on probation for a violation of those sections."

Renumber the following bill sections accordingly.

Page 19, following line 30:

Insert a new subsection to read:

"(i) A person granted a limited license and required to use an ignition interlock device under (d)(2)(A) of this section shall sign an affidavit acknowledging that

(1) operation by the person of a vehicle that is not equipped with an ignition interlock device is subject to penalties for driving with a revoked license;

(2) circumventing or tampering with the ignition interlock device is a class A misdemeanor; and

(3) the person is required to maintain the ignition interlock device throughout the period of the limited license, to keep up-to-date records in each vehicle showing that any required service and calibration is current, and to produce those records immediately on request."

Page 22, following line 17:

Insert a new bill section to read:

"* Sec. 35. AS 28.35.030(t) is amended to read:

(t) Notwithstanding (b) or (n) of this section, the court

(1) shall waive the requirement of the use of an ignition interlock device when a person operates a motor vehicle in a community included on the list published by the department under AS 28.22.011(b);

(2) may waive the requirement of the use of an ignition interlock device when the person regains the privilege to operate a motor vehicle if the court requires that a person convicted under this section submit to daily testing as required under AS 47.38.020 in place of the use of the ignition interlock device; use of daily testing in place of an ignition interlock device under this subsection is conditioned upon the person's not violating the requirements of the program established in AS 47.38.020; if the person violates those requirements, the court shall

(i) revoke the person's license, privilege to drive, or privilege to obtain a license for the remainder of the period the person is required to use an ignition interlock device as provided in (b) or (n) of this section; or

(ii) require the use of an ignition interlock device as provided in (A) of this paragraph and shall require the person to continue to submit to daily testing as required under AS 47.38.020."

Renumber the following bill sections accordingly.

Page 30, line 4:
Delete "or"
Following "probation":
Delete ", "

Page 30, line 5, following "beverages":
Insert ", a person granted a limited license as provided by AS 28.15.201(d), or a person required to comply with this section as provided by AS 28.35.030(t)"

Page 30, following line 22:
Insert a new subsection to read:
"(d) If a person is required to comply with the program provided in this section as a condition of a limited license under AS 28.15.201(d) or when required by AS 28.35.030(t), the commissioner shall adopt regulations that provide a means to ensure that the division of motor vehicles and the court receive notice if the person fails to appear for an appointment as required by the program or tests positive for the use of controlled substances or alcoholic beverages."

Reletter the following subsection accordingly.

Page 32, lines 12 - 13:
Delete "29 - 36, and 38 - 44"
Insert "29 - 38, and 40 - 46"

Page 32, line 14, following "Act,":
Insert "AS 28.15.201(d), as amended by sec. 30 of this Act,"

Page 32, line 15:
Delete "AS 28.15.201(g) and (h)"
Insert "AS 28.15.201(g) - (i)"
Delete "sec. 30"
Insert "sec. 31"

Page 32, lines 15 - 16:
Delete "sec. 31"
Insert "sec. 32"

Page 32, line 16:
Delete "sec. 32"
Insert "sec. 33"

Page 32, line 17:
Delete "sec. 33"
Insert "sec. 34"

Page 32, line 17, following the first occurrence of
"Act,":
Insert "AS 28.35.030(t), as amended by sec. 35 of this
Act,"

Page 32, line 17:
Delete "sec. 34"
Insert "sec. 36"

Page 32, line 18:
Delete "sec. 35"
Insert "sec. 37"

Page 32, lines 18 - 19:
Delete "sec. 36"
Insert "sec. 38"

Page 32, line 19:
Delete "sec. 40"
Insert "sec. 42"

Page 32, line 20:
Delete "29 - 36, and 38 - 44"
Insert "29 - 38, and 40 - 46"

Page 32, lines 21 - 22:
Delete "29 - 36, and 38 - 44"
Insert "29 - 38, and 40 - 46"

Page 33, line 23:
Delete "sec. 38"
Insert "sec. 40"

Page 33, line 25:
Delete "sec. 38"

Insert "sec. 40"

Page 33, line 30:

Delete "sec. 34"

Insert "sec. 36"

Page 34, line 2:

Delete "sec. 35"

Insert "sec. 37"

Delete "sec. 36"

Insert "sec. 38"

Page 34, line 5:

Delete "sec. 40"

Insert "sec. 42"

Page 34, line 9:

Delete "Section 37"

Insert "Section 39"

Page 34, line 10:

Delete "Section 45"

Insert "Section 47"

Page 34, line 11:

Delete "29 - 36, and 38 - 44"

Insert "29 - 38, and 40 - 46"

Co-Chair Stoltze OBJECTED for discussion.

Representative Holmes explained that the amendment addressed misdemeanor offenders for driving under the influence (DUI) offenses. She stated that existing law allowed reinstatement of the license over time with enrollment in the ASAP program, obtaining of a high risk insurance plan and utilizing an interlock device. The amendment would allow the option of twice-a-day testing versus the interlock device. She noted the efforts in both bodies on the issue, but recognized that the proper balance had not been achieved so she would withdraw the amendment.

Representative Holmes WITHDREW Amendment 1.

[8:47:00 PM](#)

AT EASE

[8:50:56 PM](#)

RECONVENED

Representative Wilson had questions about the fiscal notes.

Representative Costello pointed to the fiscal notes including previously published notes: zero impact from the Department of Administration, zero impact from the Department of Administration, fiscal impact note from the Department of Corrections.

[8:53:26 PM](#)

Representative Wilson asked about the Department of Corrections fiscal note. She thought that most of the programs would be paid by the offender. She asked for detailed information on the note.

RON TAYLOR, DEPUTY COMMISSIONER, DEPARTMENT OF CORRECTIONS, replied that the PACE and risk assessment programs would not be paid for by the offenders. He explained that the 24/7 program would be paid for by offenders. The PACE and risk assessment programs added probation officer positions to administer the programs.

Representative Wilson asked if the positions were all filled and how difficult it would be to fill 14 more positions.

Mr. Taylor replied that the positions were new. The PACE program was operational with a couple of positions in Anchorage, Palmer and Fairbanks. The goal was expansion to a statewide basis.

Representative Wilson asked if the PACE pilot program's positions were filled.

Mr. Taylor affirmed that the positions were filled.

Representative Wilson was unhappy with the cost listed in the fiscal note.

Representative Edgmon believed that the fiscal impact would be offset by the savings achieved by the electronic monitoring program.

Mr. Taylor concurred.

Representative Wilson wondered if the offenders could be placed on electronic monitoring without the 14 additional positions.

Mr. Taylor explained that the PACE program did not involve electronic monitoring.

[8:56:53 PM](#)

Representative Wilson asked for the savings resulting from the PACE program.

Mr. Taylor answered that there was not a projected savings for the PACE program. He explained that the program was designed to target high-risk technical violators for probation and parole that would revisit the system repeatedly. The program would ensure expedited attention and increased supervision monitoring through the program and through the court.

Mr. Shilling clarified that the 27/7 sobriety program was paid for by offenders, while the PACE program was an intensive form of probation that would lead to fewer days in jail. He agreed that the intent of the program was for cost savings resulting from less jail time. He pointed out that states enacting similar programs experienced cost savings. He agreed that electronic monitoring was significantly less expensive than housing prisoners, but the PACE program required new personnel to achieve the savings.

[8:58:32 PM](#)

Representative Wilson understood, but the program was currently operating. She wondered if it was working.

Mr. Taylor answered that the program was very limited in terms of the number of participants.

Representative Wilson noted that 120 people were participating. She thought more documentation should be provided regarding the program's success.

Mr. Shilling answered that the judicial council had compiled a comprehensive study on the PACE pilot program. He offered to provide the results to the representative's office. He stated that the results mirrored those positive

savings seen in other state's participating in similar programs.

Representative Wilson believed that more time was needed before 25 additional people were hired.

Mr. Shilling answered that 14 personnel were required for the PACE program and the additional requests were for the risk needs assessments program.

Representative Edgmon believed that the bill spoke to the state's high recidivism numbers. He spoke to the high cost of housing inmates and believed that the initial spending would save state money in the long run.

Mr. Shilling agreed. He stated that probationers were a large cost driver for the department. He stated that PACE was intended to repair the damaged system.

[9:01:19 PM](#)

Representative Costello continued to discuss the fiscal notes. She clarified the Department of Corrections note allowed for 25 positions. Additional fiscal notes included a previously published fiscal impact note from Department of Corrections and a previously published fiscal impact note from the Department of Health and Social Services.

Representative Wilson asked about the Department of Health and Social Services 24/7 program. She wondered where the funds would be repaid by offenders.

Mr. Shilling noted that the fiscal impact was due to the 24/7 program's indigency waiver attached. If the offender had an inability to pay, the state would pay for the cost of testing. He explained that the fiscal note assumed that one third of the people on 24/7 sobriety would be unable to pay. He opined that the estimate was overly cautious and provided a high estimate.

[9:04:01 PM](#)

Co-Chair Stoltze wondered how high the estimate was.

Mr. Shilling deferred to an expert from another state utilizing a similar program.

Co-Chair Stoltze commented that the money would not be returned to the general fund once the bill passed with the accompanying fiscal note.

Representative Wilson replied that the question had been asked earlier in the day. She thought the offenders would pay for the program. She asked for a clarification on the program.

Mr. Shilling replied that the fiscal note separated costs for electronic monitoring and in-person testing. He estimated that the in-person testing would cost \$5 per day, while the electronic monitoring would cost \$10 per day. He wished to hear more about the department's estimate.

Representative Wilson commented that the program was active and vendors were already performing the service. She believed that the estimates would be simple to obtain.

Co-Chair Stoltze welcomed a suggestion for a reduction. He suggested a 25 percent reduction.

Representative Wilson suggested reducing the fiscal note to \$500,000, removing the portion for offenders that could not pay.

[9:06:54 PM](#)

Mr. Shilling asked DOC to elaborate on a current program.

Mr. Taylor relayed that indigent people accounted for 20 percent of the people with electronic monitoring systems. He clarified that the program was separate from the 24/7 program.

Representative Wilson had been informed by the department that those criminals utilizing ankle bracelets could afford to pay the cost.

Vice-Chair Neuman asked if the department had the ability to take Permanent Fund Dividends to cover the cost.

Mr. Taylor replied yes.

Co-Chair Stoltze asked if there was an objection to reducing the fiscal note to \$500,000. There being NO OBJECTION, it was so ordered.

Representative Gara OBJECTED and stated that the savings of the jail bed cost was not reflected in the fiscal note. He was worried that the savings would be unraveled.

Co-Chair Stoltze asked Representative Gara if he wished to have a roll call.

Representative Gara responded that he did not wish to have a roll call if he was alone in his opinion.

Co-Chair Stoltze stated that the fiscal note was reduced to \$500,000 and the revised fiscal note was ADOPTED.

Representative Costello discussed the remaining fiscal notes including one fiscal impact note from Department of Health and Social Services, one indeterminate note from the Department of Law, one zero impact note from the Office of the Governor, one zero impact note from the Alaska Court System, and one fiscal impact note from the Alaska Court System.

[9:11:53 PM](#)

AT EASE

[9:12:18 PM](#)

RECONVENED

Co-Chair Stoltze MOVED to ADOPT Amendment 2, 28-LS0116\Q.7, Gardner, 4/19/14, (copy on file).

Page 16, line 31, through page 17, line 3:

Delete "by electronic monitoring at a private residence, or at a community residential center. If electronic monitoring at a private residence or [OR, IF] a community residential center:
Insert "at a community residential center or by electronic monitoring at a private residence. If [,IF] a community residential center or electronic monitoring at a private residence"

Representative Holmes OBJECTED for discussion.

DANIEL GEORGE, STAFF, REPRESENTATIVE BILL STOLTZE, explained that the amendment was brought to the committee by the Department of Corrections. The language read that an individual could serve their incarceration by electronic

monitoring at a private residence or a community residential center, which might be confusing to a person interpreting the law in the future. The intent was not that electronic monitoring would be required at a community residential center. By changing the language the legislature would provide clear instruction.

Co-Chair Stoltze clarified that the amendment applied to the finance version of the bill rather than the judiciary.

Mr. Taylor agreed that the amendment provided clarification.

Representative Holmes WITHDREW her OBJECTION. There being NO further OBJECTION, it was so ordered. Amendment 2 was ADOPTED.

Vice-Chair Neuman MOVED to REPORT HCS CSSB 64(FIN) out of committee with individual recommendations and the accompanying fiscal notes.

Co-Chair Stoltze OBJECTED for discussion.

Representative Wilson expressed disappointment in the lack of statistics available for the programs seeking funding through the bill. She requested semiannual reports from the department to help the legislature determine the best use of funds in the future. She valued current statistics when making large item budget decisions.

[9:16:14 PM](#)

Representative Holmes stated that recidivism was a large problem and she did not wish to see another project akin to Goose Creek Correctional Center. She credited the sponsor and staff for their hard work on the legislation.

Co-Chair Stoltze commented on the section related to Post Traumatic Stress Disorder (PTSD).

Representative Gara appreciated the section.

Representative Edgmon stressed that the legislation's expense would grow if the strategies in the bill were not employed. He supported the bill and posited that the programs worked well in other states.

Representative Gara noted that one cost was not measured in the legislation. He stated that fewer victims would suffer if criminals were monitored 24 hours a day. He stated that a price for the safety was impossible to calculate.

[9:19:05 PM](#)

Vice-Chair Neuman discussed victims in Alaska. He hoped that a reduction in recidivism would result in fewer victims. He mentioned the efforts in the Mat-Su valley to educate community members about crime in the area. He spoke about the troopers involved in investigations related to low-level drug crimes and robberies. He stated that the legislature must help ensure that the department reports on the spending to determine which programs were most effective.

[9:20:50 PM](#)

AT EASE

[9:21:32 PM](#)

RECONVENED

Representative Gara spoke to the PTSD component of the bill. He appreciated Co-Chair Stoltze's support of the item. He discussed that the disorder had increased due to numerous wars. He explained that PTSD was triggered and those people who could not escape their trigger endured great suffering. He stated that incarcerated prisoners were susceptible to inescapable triggers in their jail cells. He pointed out the bill's sentence mitigator provided to the accused if combat-related PTSD or traumatic brain injury was a substantial cause for committing the crime. A similar mitigator was allowed for fetal alcohol syndrome.

Representative Holmes addressed the 24/7 license provisions. She understood the public's concerns about drinking alcohol and driving. She argued in favor of a limited license following a driving while intoxicated infraction. She advocated for the ignition interlocks. She stated that the 24/7 program allowed for testing every 12 hours, which she deemed optimal.

[9:25:57 PM](#)

Co-Chair Stoltze appreciated the work done by Mr. Shilling. He appreciated the work done by his staff Mr. George. He spoke to the significant work done on the bill.

The committee applauded for the work done by Mr. Shilling and Mr. George.

Co-Chair Stoltze WITHDREW his OBJECTION.

There being NO OBJECTION, it was so ordered.

HCSCSSB 64(FIN) was REPORTED out of committee with a "do pass" recommendation and with one new zero fiscal note from the Alaska Court System, one new indeterminate fiscal note from the Department of Law, one new fiscal impact note from the Alaska Court System, one new fiscal impact note from the Department of Corrections, one new fiscal impact note from the House Finance Committee for the Department of Health and Social Services, three previously published zero fiscal notes, FN8 (ADM), FN10 (ADM) and FN13 (GOV), two previously published fiscal impact notes: FN14 (DHS) and FN16 (COR).

[9:28:31 PM](#)

AT EASE

[11:23:45 PM](#)

RECONVENED

#sb119

CS FOR SENATE BILL NO. 119(FIN) am

"An Act making and amending appropriations, including capital appropriations, supplemental appropriations, reappropriations, and other appropriations; making appropriations to capitalize funds; and providing for an effective date."

CSSB 119 (FIN)am was SCHEDULED but not HEARD.

Co-Chair Stoltze decided to adjourn the meeting to begin the delayed 6:00 p.m. meeting.

#

ADJOURNMENT

[11:24:16 PM](#)

