

ALASKA STATE LEGISLATURE
SENATE JUDICIARY STANDING COMMITTEE

March 7, 2018

1:33 p.m.

MEMBERS PRESENT

Senator John Coghill, Chair
Senator Mia Costello
Senator Pete Kelly
Senator Bill Wielechowski
Senator Click Bishop

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

SENATE BILL NO. 124

"An Act relating to the duties of physicians and health care practitioners when performing or inducing abortions; providing that a child removed from a pregnant woman's womb alive after an abortion may be surrendered and found to be a child in need of aid; and providing for an effective date."

- HEARD & HELD

SENATE BILL NO. 109

"An Act relating to background investigation requirements for state employees whose job duties require access to certain federal tax information; relating to persons under contract with the state with access to certain federal tax information; establishing state personnel procedures required for employee access to certain federal tax information; and providing for an effective date."

- HEARD & HELD

PREVIOUS COMMITTEE ACTION

BILL: SB 124

SHORT TITLE: ABORTION PROCEDURES; CHILD SURRENDER

SPONSOR(S): SENATOR(S) GIESSEL

01/16/18 (S) PREFILE RELEASED 1/8/18
01/16/18 (S) READ THE FIRST TIME - REFERRALS
01/16/18 (S) HSS, JUD
02/19/18 (S) HSS AT 1:30 PM BUTROVICH 205
02/19/18 (S) Moved SB 124 Out of Committee
02/19/18 (S) MINUTE(HSS)
02/21/18 (S) HSS RPT 1DP 1DNP 3NR
02/21/18 (S) NR: WILSON, VON IMHOF, MICCICHE
02/21/18 (S) DP: GIESSEL
02/21/18 (S) DNP: BEGICH
02/21/18 (S) FIN REFERRAL ADDED AFTER JUD
03/07/18 (S) JUD AT 1:30 PM BELTZ 105 (TSBldg)

BILL: SB 109

SHORT TITLE: CRIM HIST CHECK: ST EMPLOYEES/CONTRACTORS
SPONSOR(S): RULES BY REQUEST OF THE GOVERNOR

04/07/17 (S) READ THE FIRST TIME - REFERRALS
04/07/17 (S) JUD, FIN
03/07/18 (S) JUD AT 1:30 PM BELTZ 105 (TSBldg)

WITNESS REGISTER

SENATOR CATHY GIESSEL
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Sponsor of SB 124.

KARI NORE, Staff
Senator Cathy Giessel
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Delivered the sectional analysis for SB 124,
version U:

GENEVIEVE WOJTUSIK, Legislative Liaison
Department of Revenue
Juneau, Alaska

POSITION STATEMENT: Introduced SB 109 on behalf of the
administration.

CAROL BEECHER, Director
Division of Child Support Services
Department of Revenue (DOR)

POSITION STATEMENT: Answered questions related to SB 109.

ERIC GAFFNEY, Records and Licensing Supervisor
Criminal Records Identification Bureau
Department of Public Safety
Anchorage, Alaska

POSITION STATEMENT: Answered questions related to SB 109.

BRANDON SPANOS, Deputy Director
Tax Division
Department of Revenue (DOR)
Juneau, Alaska

POSITION STATEMENT: Answered questions related to SB 109.

ACTION NARRATIVE

[1:33:16 PM](#)

CHAIR JOHN COGHILL called the Senate Judiciary Standing Committee meeting to order at 1:33 p.m. Present at the call to order were Senators Costello, Bishop, Kelly, Wielechowski, and Chair Coghill.

SB 124-ABORTION PROCEDURES; CHILD SURRENDER

[1:34:21 PM](#)

CHAIR COGHILL announced the consideration of SB 124.

[1:36:04 PM](#)

SENATOR CATHY GIESSEL, Alaska State Legislature, Juneau, Alaska, sponsor of SB 124, said the purpose of this legislation is to give babies the opportunity to be born alive. The bill lays out the following guidelines:

When performing or inducing an abortion the physician shall use the method that provides the best opportunity for the unborn child to survive.

A child born alive as a result of an abortion shall receive the same degree of professional skill, care and diligence to preserve the life and health of the child as a child born in the course of natural birth at the same fetal age.

A child born alive as a result of an abortion may be surrendered to a physician or an employee of the hospital or facility where the abortion is performed.

A child born alive as a result of an abortion is considered to be a child in need of aid if the parent is unwilling or unable to care for the child.

This bill applies to all abortions performed or induced after the effective date. v This bill take effect immediately.

This bill take effect immediately.

SENATOR GIESSEL said in *Roe v. Wade*, 410 U.S. 113 (1973) the Supreme Court maintained that the state has an interest in protecting the life of a fetus after viability. That is the point at which the fetus is capable of living outside the womb.

She said the protection of fetal life after viability has biological justifications and may proscribe abortion during the period of viability, except when necessary to preserve the life and health of the mother.

SENATOR GIESSEL referenced *Planned Parenthood of Central Missouri v. Danforth*, 428 U.S. 52, 63(1976), 410 U. S., at 160, 163. That court upheld the definition of viability in *Roe*. It signifies the point at which the fetus is "potentially able to live outside the mother's womb, albeit with artificial aid," and presumably capable of "meaningful life outside the mother's womb,".

She also referenced *Whitner v. State of South Carolina*, 328 S.C. 1, 7-8 (S.C.1997) that addressed the issue of when a fetus is entitled to protection. That court held that a viable fetus was a "person" for the purposes of the Children's Code in South Carolina.

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SENATOR GIESSEL summarized some of the sentinel events in the development of a fetus. Week 5: vital organs form; week 8: eyelids form; week 6: brain waves detected; week 9; sucking thumb and yawning.

She continued to describe fetal development:

Fetal development 14 weeks after conception.

Finger Pads -2nd and 3rd months of pregnancy. 3rd and 4th months - the buckling and folding of this skin layer is partially responsible for the unique stresses

in fingertip pads. Ridges, the faint lines on fingertips that are the foundation of finger prints start developing around this time.

SENATOR GIESSEL advised that at this stage of development, removing the fetus from the uterus requires dilation and evacuation. She said the new term for this procedure is dismemberment.

Fetal development 23 weeks after conception.

By six months of age fingerprints and footprints are fully developed. Three main patterns have developed from the ridges (arches, loops, whorls). These patterns on the fingertips, palms and soles are used to grasp things.

SENATOR GIESSEL said it's been documented that by 20 weeks a fetus feels pain. At 24 weeks there is response to sound. She noted that in Alaska abortion is allowed at this stage.

Fetal development 27 weeks after conception:

Baby's eyelids can partially open and eyelashes have formed. The central nervous system can direct rhythmic breathing movements and control body temperature.

Fetal development 31 weeks after conception:

Baby's eyes can open wide. Red blood cells are forming in your baby's bone marrow. Baby's toenails are visible.

SENATOR GIESSEL said a baby would be considered term approaching 37 weeks. She noted that in Alaska an abortion could be performed at this stage.

SENATOR GIESSEL said the concept of SB 124 is that babies would have the best opportunity to survive at the age of viability. She made the following points:

- In the second trimester, 96 percent of abortion procedures are dilatation and evacuation. This is also called dismemberment.

- The Centers for Disease Control reports, in 2014 that 9 percent of all abortions are performed on these very developed babies.
- In the U.S. about 100,000 babies each year are aborted using the D&E procedure.

SENATOR GIESSEL discussed the following points regarding the dismemberment procedure.

- It is never medically necessary to preserve the life of the mother in acute medical emergencies.
- Dilation of the cervix takes at least 36 hours
- It is often guided by ultrasound, forceps grip each extremity and tears it off.
- The head must be crushed to remove it.

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SENATOR GIESSEL discussed survival rate estimates at different gestational ages. At 23 weeks or less, the potential survival rate is about 35 percent. The estimates rise as gestational age increases.

She displayed data to show that other states and countries limit the age after which an abortion may be performed. Multiple states identify 20 weeks as the limit and 20 states ban an abortion once there is viability. She said the bill takes that into account and requires the doctor to deliver a viable baby with the best chance of survival.

SENATOR GIESSEL said some people oppose the bill because they don't believe it would make a meaningful difference. She's heard the argument that it would only save 2-3 lives in Alaska. She maintained that vastly underestimates the impact and pointed out that every life matters.

She displayed pictures of Alaskan children who have Downs Syndrome and noted that in Iceland pregnant women are tested for this genetic disorder. Parents of children with this genetic disorder are told they will be responsible for the medical and special education costs for their child. She said the test is only 85 percent accurate and she suspects many children without Downs Syndrome are aborted.

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SENATOR GIESSEL noted that Oskar Schindler received a ring at a reunion with Jewish people whose lives he saved. It was

inscribed with a quote from the Talmud that said, "...whoever saves a life, it is considered as if he saved an entire world." She said that's what this bill is about.

She cited a recent poll in which 76 percent said that abortion should be limited after the end of the first trimester. To the question of whether abortion should be prohibited for genetic issues, 64 percent agreed. She maintained that the bill is in keeping with the sentiments of Americans. Eight states have identified 20 weeks as the cutoff for abortion and challenges have been raised in six of those states. She said SB 124 is modeled after the federal bill that failed to pass the Senate last month. The only difference is that this bill does not identify the age of viability and it does not provide a penalty. She advised that she would not oppose adding those things to the bill.

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SENATOR KELLY asked her to clarify that nothing in the bill encourages abortions for genetic disorders such as Down Syndrome.

SENATOR GIESSEL said she called out Iceland to demonstrate how far an abortion mandate can go. She added, "These are productive individuals and absolutely should be given the opportunity to be born alive."

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SENATOR WIELECHOWSKI said his research shows that the earliest a premature baby can survive is 21 weeks and 4 or 5 days. He asked if she agrees.

SENATOR GIESSEL replied that is approximately correct at present but technology is always improving, which is why the bill doesn't identify an age of viability.

SENATOR WIELECHOWSKI directed attention to the DHSS *2016 Induced Termination of Pregnancy Statistics* publication that her office provided. On page 6 it says that 99.5 percent of induced terminations in Alaska were performed at 13 weeks or less gestational age. He asked if she had any reason to dispute that.

SENATOR GIESSEL said no.

CHAIR COGHILL said this is an issue that is near and dear to his heart and he appreciates the sponsor bringing it forward. Abortion is a question that is discussed as a moral issue, a

legal issue, and a political issue but it's really a child issue. *Roe v. Wade* made it a legal issue and people like himself are trying to value a life under the rule of law in the best way possible. People who are very, very prolife don't believe this bill goes far enough. It preserves the woman's right and still gives the child a chance to be treated well.

He asked Ms. Nore to go through the sectional analysis.

[1:57:25 PM](#)

KARI NORE, Staff, Senator Cathy Giessel, Alaska State Legislature Juneau, Alaska provided the following sectional analysis for SB 124, version U:

Section 1: Amends AS 18.16.010 by adding new subsections to provide for a physician to use the method of terminating the pregnancy that best provides for the unborn child to survive outside the mother's womb. It requires health practitioners present at the procedure to exercise the same degree of professional practice and diligence to preserve the life of the viable child born as would be provided to a child born through the course of natural birth. Provides definitions for "alive," "clinical judgment," "fertilization," and "fetal age."

Section 2: Amends AS 18.16 by adding a new section that would allow a parent of a child born alive during the process of an abortion to surrender the child to a physician or employee of the hospital. The person to whom the child had been surrendered will notify the Department of Health and Social Services as required under AS 47.10.013(d).

Section 3: Amends AS 47.10.011 and adds a provision in the Child in Need of Aid (CINA) statute to include a child born alive during the termination of a pregnancy whose parent is unwilling or unable to care for the infant.

Section 4: Adds an applicability provision that states that AS 18.16.010(k)-(m), added by Sec. 1, AS 18.16.012, added by Sec. 2, and AS 47.10.011, as amended by Sec. 3 apply to abortions performed or induced on or after the effective dates of those sections.

Section 5: Provides for an immediate effective date for this Act

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SENATOR WIELECHOWSKI referenced the language in Section 1 and asked which methods of abortion allow for a child to survive.

SENATOR GIESSEL said that would be an induced delivery.

SENATOR WIELECHOWSKI asked if a hysterotomy (c section) is a safer method of abortion.

SENATOR GIESSEL said yes, and if it's a question of saving the mother's life, a c section would be done.

SENATOR WIELECHOWSKI asked if a c section is major surgery.

SENATOR GIESSEL replied some regard it as that but it's become rather minimal surgery.

SENATOR WIELECHOWSKI said the information he's seen indicates a woman who has had a c section stays in the hospital 2-3 days and is recommended to stay off work for six weeks. He asked if she agreed.

SENATOR GIESSEL said it depends on the woman and her fundamental health.

CHAIR COGHILL said his daughter had twins with a c section and she had two days of rest with the twins and then she went back to work.

SENATOR WIELECHOWSKI referenced a document from the Mayo Clinic that said, "After a c section you face a higher risk of potentially serious complications in a subsequent pregnancy, including problems with the placenta." He asked if she would agree with that statement.

SENATOR GIESSEL replied a phenomenal number of c sections are done in this country. It's become a very common way to deliver babies and it's an overstatement to say it jeopardizes future pregnancies or the life of the mother.

SENATOR WIELECHOWSKI responded that it's a direct quote from the Mayo Clinic. Noting that 21 weeks and 4 days was the earliest a premature baby has survived, he asked how many abortions in Alaska in the last five years were done after 21 weeks.

SENATOR GIESSEL replied those numbers are on page 11 of the DHSS 2016 *Induced Termination of Pregnancy Statistics* publication. She directed attention to the category of "Not Stated" which could mean those not wanting to admit the age of the child at the time of the abortion.

SENATOR WIELECHOWSKI asked if she agrees that in 2016 there were zero abortions at 21-24 weeks.

SENATOR GIESSEL agreed and pointed out that four were in the "Not Stated" category and two are in the 17 to 20-week bracket. She said technology is always improving and she believes that every life is worth saving.

SENATOR WIELECHOWSKI noted that the lowest recorded age for a surviving fetus in the world is 21 weeks. He asked if a physician would be required to perform a different type of abortion procedure on fetuses under 21 weeks.

CHAIR COGHILL requested he share the document with world statistics with the committee. He asked him to restate the question.

SENATOR WIELECHOWSKI said a baby born May 20, 1987 at 21 weeks and five days was the earliest premature baby in the world. A more recent document said a baby was born at 21 weeks and four days. If the bill passes, he asked if physicians would have to perform induced labor or a hysterotomy if the gestational age is younger than 21 weeks and four days.

SENATOR GIESSEL replied it is left to the professional judgement of the physician. She added that because gestational age is often incorrect, it's not advisable to set a specific date in these situations.

CHAIR COGHILL asked if ultrasound or other technology helps to determine gestational age.

SENATOR GIESSEL confirmed that ultrasounds are very helpful in determining gestational age and viability.

SENATOR WIELECHOWSKI noted that since 1999, 0.5 percent of abortions are done at 13 weeks or earlier. He asked if it's possible to induce labor or perform a hysterotomy that would save the life of a child at 13 weeks gestational age.

SENATOR GIESSEL said the bill doesn't limit the age because technology advances may make that possible at some point.

SENATOR COGHILL commented on technologic advances in other areas and said, "We're continually trying to figure out ways how we guard that life."

SENATOR WIELECHOWSKI asked if it's accurate that if the technology were to improve, any woman who wanted an abortion would need to have a c section.

SENATOR GIESSEL replied the bill doesn't make that dramatic statement.

SENATOR WIELECHOWSKI asked if she would agree that's the effect of the bill.

SENATOR GIESSEL clarified that the bill says, "In the professional judgment of the physician, if viability is likely then the best opportunity for survival must be given to the baby."

SENATOR WIELECHOWSKI asked if there are criminal penalties if a physician violates the provision.

SENATOR GIESSEL said she purposely did not include that but would welcome an amendment. The physician is required to use their ethical and professional judgment.

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SENATOR WIELECHOWSKI directed attention to page 2 lines 5-7, that defines "alive." He asked if "spontaneous respiratory or cardiac function or pulsation of the umbilical cord means after removal from the womb.

SENATOR GIESSEL said yes.

SENATOR WIELECHOWSKI said he assumes pulsation of the umbilical cord happens very early on.

SENATOR GIESSEL said pulsation of the umbilical cord indicates the circulatory system is functioning.

CHAIR COGHILL said if he were to look at accountability he'd start with the reporting. He opined that based on the 2016 report, the DHSS fiscal note will be easy to challenge.

SENATOR WIELECHOWSKI directed attention to the definitions of induced termination procedures in Appendix A on page 18 and 19 of the DHSS 2016 report. Noting that she said that induced labor and a hysterotomy provided the best opportunity for the unborn child to survive, he asked which of the procedures would be induced labor.

SENATOR GIESSEL said none of the listed procedures would result in a live birth. "There's no way that induced delivery, induced labor would be listed here. It's not a way to kill the baby."

[2:16:58 PM](#)

SENATOR WIELECHOWSKI read the language on page 1, lines 7-9. He said if induced labor isn't a method of terminating the pregnancy, that leaves a hysterotomy or c section. Should the bill pass, every woman in Alaska who wants an abortion would be required to get a c section if the physician determines that is the best way to save the child. He asked if she agreed with his reading.

SENATOR GIESSEL said she was somewhat tempted to suggest he was practicing medicine without a license. She said the normal way a pregnancy is terminated is with the delivery of the baby. The methods listed on page 18 of the report are induced termination procedures that do not result in a live birth.

SENATOR WIELECHOWSKI said he didn't have any medical expertise but the language in Section 1 seems to leave a woman who wants to terminate a pregnancy with the only option of having a c section.

SENATOR KELLY read the definition of "Induced Termination of Pregnancy" on page 18 of the report and said he didn't think it followed that the woman would have to have a c section.

CHAIR COGHILL added that termination of pregnancy that results in a live birth would be added to the statutes if the bill were to pass.

[2:20:03 PM](#)

SENATOR GIESSEL said the subject of c section came up because it is a method of terminating a pregnancy that would be employed if it were an emergency procedure to save the mother's life. A D&E is not an emergency procedure because it takes at least 36 hours to dilate the cervix.

SENATOR WIELECHOWSKI asked for confirmation that the bill doesn't seek to ban D&Es.

SENATOR GIESSEL replied it is a procedure called dismemberment.

SENATOR WIELECHOWSKI asked if she was seeking to ban the procedure.

SENATOR GIESSEL responded that the procedure involves dilating the cervix and entering it with a tool that grasps and dismembers pieces of babies.

CHAIR COGHILL said that for some people, the controversy is there should never be any dismemberment. Not at any stage. He agrees with that viewpoint. The bill maintains the mother's right to terminate the pregnancy and directs the physician to use their clinical judgment and use the procedure that provides the best opportunity for the unborn child to survive. The question of viability rests with the physician.

SENATOR GIESSEL confirmed that viability is the basis of the bill.

CHAIR COGHILL thanked the sponsor for the introduction. His intention is to take public testimony Monday, consider amendments on Wednesday, and move the bill either Wednesday or Friday.

[2:23:10 PM](#)

CHAIR COGHILL held SB 124 in committee.

[2:23:14 PM](#)

At ease

SB 109-CRIM HIST CHECK: ST EMPLOYEES/CONTRACTORS

[2:30:24 PM](#)

CHAIR COGHILL reconvened the meeting and announced the consideration of SB 109.

[2:31:26 PM](#)

GENEVIEVE WOJTUSIK, Legislative Liaison, Department of Revenue, Juneau, Alaska, said SB 109 relates to background checks of state employees. The September 30, 2016 Internal Revenue Service (IRS) publication 1075 has new guidelines that requires individuals who have access to federal data to undergo a

background check. The state is not in compliance with the fingerprinting requirement in that publication.

She provided the following sectional analysis for SB 109:

Section 1 Amends AS 12.62.400 by adding a new subsection. This will require an agency to submit the fingerprints of current or prospective employees or contractors whose job duties require access to federal tax information (defined in AS 39.55.015(e)(3) and 36.30.960(d)(3)) to the Department of Public Safety for submission to the Federal Bureau of Investigation to obtain a criminal history record. Defines "agency", "employee" and "contractor".

Section 2 Amends AS 36.30 by adding a new section. This section establishes state personnel procedures for obtaining and submitting fingerprints for current or prospective contractors if a contract with the state requires access to federal tax information. Defines "agency", "contractor" and "federal tax information".

Section 3 Amends AS 39 by adding a new chapter. This new chapter addresses state personnel procedures related to federal tax information.

Adds AS 39.55.010

This section explains the purpose of the chapter-- to establish procedures to safeguard federal tax information which will apply to a current or prospective state employee whose job duties require access to federal tax information.

Adds AS 39.55.015

This section requires current and prospective state employees whose job duties require access to federal tax information to provide information to an agency for a state and national criminal history record check. Defines "agency", "employee", "federal tax information", "return", and "return information".

Section 4 Provides the effective date of July 1, 2017.

MS. WOJTUSIK noted that the effective date will need to be amended to 2018.

[2:34:24 PM](#)

CHAIR COGHILL asked what happened at the federal level that elicited this requirement.

MS. WOJTUSIK said it came about in a routine review.

SENATOR BISHOP asked if an employee who did not want to be fingerprinted would have the option of being reassigned to a different division or department.

MS. WOJTUSIK said that hasn't come up. All the employees in the Tax Division and the Child Support Services Division of the Department of Revenue (DOR) have already had background checks. They receive federal data so they also need to be fingerprinted.

SENATOR BISHOP said he understands that but wonders if they could transfer to a division that doesn't have that requirement.

SENATOR WIELECHOWSKI asked if there is any other heightened scrutiny that employees could go through if they objected to giving their fingerprint information.

MS. WOJTUSIK said the FBI said that fingerprints are needed as part of a full background check. They did not offer any alternative.

CHAIR COGHILL said he'd asked the individuals who were online.

[2:37:31 PM](#)

CAROL BEECHER, Director, Child Support Services Division, Department of Revenue (DOR), said her understanding from reading Publication 1075 is that there is no other option.

CHAIR COGHILL asked if any employees objected that the requirement is too onerous.

MS. BEECHER said there has been no pushback.

SENATOR WIELECHOWSKI observed that the definition of "agency" covers the entire executive and then some. He asked if she has an estimate of the number of employees who would be required to give fingerprints.

MS. WOJTUSIK said she didn't know.

CHAIR COGHILL asked Ms. Wojtusik to do some research and follow up with the information.

MS. WOJTUSIK said DHSS is affected and 300 employees within the Department of Revenue.

SENATOR WIELECHOWSKI said he'd like more complete numbers. He asked what assurance Alaskans can have that their data will be safely maintained.

[2:41:00 PM](#)

MS. BEECHER clarified that DOR doesn't receive the fingerprint information. When DOR has a background check done, the report is returned to the agency's Criminal Investigation Unit. She believes that information is destroyed if it doesn't have a nexus to the job. She offered to follow up and find out if her understanding is correct.

CHAIR COGHILL asked Senator Wielechowski to clarify his question for Mr. Gaffney.

SENATOR WIELECHOWSKI asked what kind of safety protections there are and what the plans are for the fingerprints after they are collected.

[2:42:56 PM](#)

ERIC GAFFNEY, Records and Licensing Supervisor, Criminal Records Identification Bureau, Department of Public Safety, Anchorage, Alaska, explained that the fingerprints would be placed in the archive that is maintained by the state for other civil and criminal fingerprint submissions. Alaska is a member of the Western Identification Network with other Western states and criminal justice agencies in those states can access that archive. The prints would also be conveyed to the FBI to be used for comparison and then destroyed.

SENATOR WIELECHOWSKI asked how much it costs to obtain the fingerprints and who would be responsible for paying.

MS. WOJTUSIK said DPS charges \$47 to take the fingerprint and the state will pay.

SENATOR WIELECHOWSKI asked if there is a fiscal note.

MS. WOJTUSIK said it's forthcoming; it's being updated from 2017.

CHAIR COGHILL updated Mr. Spanos on the discussion and asked if the House had questions about the security of the information.

2:46:44 PM

BRANDON SPANOS, Deputy Director, Tax Division, Department of Revenue (DOR), Juneau, Alaska, confirmed that the other body did have concerns about the security of the information. He explained that DOR has policies in place for security and they take this seriously, but that isn't part of the bill.

SENATOR WIELECHOWSKI asked if other states have complied with this requirement and what the consequences are if the bill doesn't pass.

MR. SPANOS said the IRS has been talking about this a long time and it has been discussed with the states. When the publication was finalized, the new requirements were background checks and fingerprinting. To date, 26 states have passed legislation to allow fingerprinting and background checks, 14 states - including Alaska - have legislation under consideration, and 8 states have no legislation pending. Some of the latter states may be able to comply without a bill.

SENATOR WIELECHOWSKI asked if there is a deadline for complying.

MR. SPANOS said if the bill doesn't pass, the IRS will likely have a finding on the May 2018 audit that notes that the legislation hasn't passed. He suspects that the IRS would eventually stop sharing federal tax information with the division. For the Tax Division that means the loss of about \$2 million a year from federal fee back audits. The division would also lose the ability to get federal tax information on certain taxpayers like tobacco, mining, and alcohol to use in their audits. Child support services would lose the ability to collect the federal refunds of taxpayers who owe child support. They would also potentially lose the funding they receive from the federal government, which is 66 percent of their budget.

He said he wasn't aware of a deadline to pass the legislation.

2:51:08 PM

SENATOR COSTELLO said she would like to look at the form an individual would fill out. She asked if the form asks for a Social Security Number and what the state does with those numbers.

MR. SPANOS said the Tax Division has slimmed the form to one and a half pages. It requires name, age, aliases, former names, Social Security Number, places of residence for the last 10

years, conviction dates and the classification of the crime, the punishment, and a signature authorizing the department to run the background check. The questionnaires go to the Criminal Investigation Unit to run the background check and the results come back they give the division a clean sheet that says the person passed the background check or that there were concerns due to crimes of dishonesty. The division would review those to determine whether they would retain or potentially hire or not hire the prospective employee. The division keeps a record that the background check was run but the results are retained by the Criminal Investigation Unit.

SENATOR COSTELLO asked what happens to the Social Security Number that's on the form.

MR. SPANOS said DOR's Criminal Investigation Unit would retain it in a locked file behind a locked and secure door.

SENATOR COSTELLO related her personal experience of having her identity stolen. She emphasized that public servants need to be on the lookout to protect Alaskans when they're asked to provide this type of information.

[2:55:43 PM](#)

MR. SPANOS said the department is very concerned about privacy and confidentiality. Forms with Social Security Numbers are handled by very few people in the department. There is a chain of custody and the forms are always secured under lock and key.

[2:57:00 PM](#)

SENATOR WIELECHOWSKI asked if he is aware of any state employees misusing federal tax information.

MR. SPANOS said the Child Support Services Division terminated several employees who were accessing information they had no business reason to access. That information potentially had federal tax information. He was aware of one breach of information within the Tax Division that resulted in discipline and termination. Other breaches were mistakes; information was sent to the wrong email that involved state tax information, not federal. The division has a procedure to address that.

[2:58:12 PM](#)

CHAIR COGHILL asked if the companion bill in the House is moving.

MR. SPANOS said the intention is to take amendments and potentially move the bill on Friday.

CHAIR COGHILL held SB 109 in committee.

2:59:04 PM

There being no further business to come before the committee, Chair Coghill adjourned the Senate Judiciary Standing Committee meeting at 2:59 p.m.