

HOUSE FINANCE COMMITTEE

May 1, 2024

8:32 a.m.

8:32:07 AM

[Note: Meeting continued from 4/30/24 1:30 p.m. See separate minutes for detail.]

CALL TO ORDER

Co-Chair Foster called the House Finance Committee meeting to order at 8:32 a.m.

MEMBERS PRESENT

Representative Bryce Edgmon, Co-Chair
Representative Neal Foster, Co-Chair
Representative DeLena Johnson, Co-Chair
Representative Julie Coulombe
Representative Mike Cronk
Representative Alyse Galvin
Representative Sara Hannan
Representative Andy Josephson
Representative Dan Ortiz
Representative Will Stapp
Representative Frank Tomaszewski

MEMBERS ABSENT

None

ALSO PRESENT

Angie Kemp, Director, Criminal Division, Department of Law;
Kate Tallmadge, Assistant Attorney General, Department of Law.

PRESENT VIA TELECONFERENCE

Kelly Manning, Deputy Director, Division of Innovation and Education Excellence, Department of Education and Early Development; Sylvan Robb, Director, Division of Corporations, Business, and Professional Licensing, Department of Commerce, Community and Economic Development.

SUMMARY

HB 68 CRIME OF SEX/HUMAN TRAFFICKING

HB 68 was HEARD and HELD in committee for further consideration.

Co-Chair Foster reviewed the meeting agenda. He relayed that the committee would return to public testimony, which was left open during the House Finance Committee meeting on April 30, 2024, at 1:30 p.m.

#hb68

HOUSE BILL NO. 68

"An Act relating to sex trafficking; establishing the crime of patron of a victim of sex trafficking; relating to the crime of human trafficking; relating to prostitution; relating to sentencing for sex trafficking, patron of a victim of sex trafficking, and human trafficking; establishing the process for vacating judgments for certain convictions of prostitution and misconduct involving a controlled substance; relating to the Council on Domestic Violence and Sexual Assault; relating to permanent fund dividends for certain individuals whose convictions are vacated; and providing for an effective date."

[8:34:36 AM](#)

KELLY MANNING, DEPUTY DIRECTOR, DIVISION OF INNOVATION AND EDUCATION EXCELLENCE, DEPARTMENT OF EDUCATION AND EARLY DEVELOPMENT (via teleconference), reviewed the fiscal impact note by Department of Education and Early Development (DEED) with a control code of WQkgO. The department indicated that there would be a \$6,000 fiscal impact in order to update the regulations that would be required by the bill, including the revocation and suspension of professional licenses based off of the crimes added in the bill.

Co-Chair Foster invited representatives from the Department of Law (DOL) to go through the sectional analysis.

[8:36:01 AM](#)

ANGIE KEMP, DIRECTOR, CRIMINAL DIVISION, DEPARTMENT OF LAW, introduced herself.

KATE TALLMADGE, ASSISTANT ATTORNEY GENERAL, DEPARTMENT OF LAW, read the sectional analysis (copy on file):

Section 1. This section makes a conforming change to reflect the amendments made in section 32.

Sections 2 - 29. Sections 2 - 29 amend the professional licensing statutes to require the licensing boards to not issue or revoke the licenses of athletic trainers, private professional conservators and guardians, professional counselors, massage therapists, marital and family therapists, physicians, osteopaths, podiatrists, direct-entry midwives, nurses, pharmacists, psychologists, and psychological associates and clinical social workers who have been convicted of sex trafficking in the first through third degrees or being a patron of a victim of sex trafficking as enacted in the bill.

Section 30. This section makes confidential communications between a victim of sex trafficking and a victim counselor privileged.

Section 31. This section makes a conforming change to reflect the amendments made in section 32.

Section 32. This section enacts a new offense series: sex trafficking in the first, second, and third degrees. In essence, a person is guilty of sex trafficking in the first degree (unclassified sex felony) if the person uses force or the threat of force to coerce someone to engage in a commercial sexual acts or traffics a person under the age of 21 or who is in the person's legal custody.

A person is guilty of sex trafficking in the second degree (class A sex felony) if the person induces or causes another person to engage in commercial sexual acts.

Sex trafficking in the first and second degrees would be sentenced under the enhanced penalties for sexual felonies and the person would be required to register as a sex offender.

A person is guilty of sex trafficking in the third degree if the person provides resources in furtherance of the commission of sex trafficking. Sex trafficking in the third degree is a class B felony if the value of the resources provided in furtherance of trafficking is \$200 or more or a class C felony if the value of the resources is less than \$200. Sex trafficking in the third degree is sentenced as a class B or C sex felony and is not a registerable sex offense.

This section also enacts the new crime of "patron of a victim of sex trafficking." A person is guilty of being a patron of a victim of sex trafficking if they solicit commercial sexual acts with reckless disregard that the person they are soliciting is a victim of sex trafficking, or if they solicit sexual acts from a person under the age of 18. If the person solicited is under 18 years of age, this offense will be a class B sex felony. If the person solicited is an adult, this offense will be a class C sex felony. This crime would be sentenced under the enhanced penalties for sexual felonies and the person would be required to register as a sex offender.

[8:39:53 AM](#)

Ms. Tallmadge continued reviewing the sectional:

Section 33. This section amends the crime of human trafficking in the first degree to be an unclassified felony when the person induces or causes a person to engage in adult entertainment or labor through the use of force against the victim or if the victim is under the age of 21.

Section 34. This section denotes that human trafficking in the first degree is an unclassified Felony.

Section 35. This section amends human trafficking in the second degree to include situations in which the person induces or causes another person to engage in adult entertainment or labor by

- (1) exposing or threatening to expose confidential information or a secret, whether

- true or false, tending to subject a person to hatred, contempt, or ridicule;
- (2) destroying, concealing, or threatening to destroy or conceal an actual or purported passport or immigration document or another actual or purported identification document of any person;
 - (3) threatening to report a person to a government agency for the purpose of arrest or deportation;
 - (4) threatening to collect a debt;
 - (5) instilling in another person a fear that the actor will withhold from any person lodging, food, clothing, or medication;
 - (6) providing or withholding controlled substances from the person; or
 - (7) deceiving the victim.

Under this section, human trafficking in the second degree is a class A felony.

[8:41:36 AM](#)

Co-Chair Johnson asked what changes were made by the House Judiciary Committee.

Ms. Tallmadge responded that the judiciary committee added the requirement that any professional licenses held by perpetrators of sex trafficking would be revoked. The change appeared in Sections 2 through 29.

Representative Galvin asked if the professional licenses held by individuals found to be guilty of sex trafficking would be revoked for the individual's entire life or would the individual be eligible to apply for the license again in the future.

[8:43:11 AM](#)

SYLVAN ROBB, DIRECTOR, DIVISION OF CORPORATIONS, BUSINESS, AND PROFESSIONAL LICENSING, DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT, JUNEAU (via teleconference), responded that the revocation of a license was permanent.

Representative Galvin understood that sex trafficking in the first degree to third degree or being a patron of a

victim of trafficking would fall under the regulations of the bill. She asked if the following would be considered a crime in the first degree through third degree: an individual paid a sex worker over \$200 for a sex act and did not know that the worker was a victim of sex trafficking.

Ms. Kemp responded that it would depend upon the mental state of the individual soliciting the worker. The department would be required to provide evidence of a reckless mental state in order to prosecute the crime.

Representative Galvin thought that she needed to learn more about the topic.

[8:45:25 AM](#)

Representative Josephson asked if Alaska's laws relating to sex trafficking were similar to other unclassified felonies in terms of lifetime revocation of licenses.

Ms. Kemp responded that she would defer to Ms. Robb on the licensing questions.

Ms. Robb asked Representative Josephson to repeat the question.

Representative Josephson asked if the other felonies also required the revocation of licensure for all of the professional classes impacted under HB 68. He wondered whether a person who committed a murder or rape would lose their osteopathic license or midwife license for life, for example.

Ms. Robb responded that each profession had its own barriers. There were few situations in which licenses were revoked for life. She would be happy to follow up with information on the situations in which licenses would be permanently revoked.

Representative Josephson asked if being found guilty of sex trafficking was worse for an individual's professional future than being found guilty of murder.

Ms. Robb responded that it would depend upon the profession. She explained that background checks were not collected for all professions; however, most professions

asked job applicants about any potential criminal convictions. She reiterated that there was no answer that applied to all professions.

[8:48:25 AM](#)

Ms. Tallmadge continued reviewing the sectional:

Section 37. This section clarifies that the crime of coercion is only to be used if the sex trafficking or human trafficking elements are not present.

Section 38. This section enacts a new offense series: prostitution in the first through fourth degrees.

Prostitution in the First Degree: A person commits prostitution in the first degree if the person manages, supervises, or controls a prostitution enterprise or place of prostitution. Prostitution in the first degree is a class B felony.

Note: managing, supervising, or controlling a prostitution enterprise or place of prostitution is currently criminalized as sex trafficking in the second (AS 11.66.120) and third degrees (AS 11.66.130). In addition, the definition of "fee" in "place of prostitution" excludes payment for reasonably apportioned shared expenses of a residence thereby exempting sex workers who live together and operate out of their residence.

Prostitution in the Second Degree: A person commits the crime of prostitution in the second degree if, in the previous five years, the person has been convicted two or more times of prostitution in the third degree (offering a fee in exchange for sexual conduct). Prostitution in the second degree is a class C felony.

Prostitution in the Third Degree: A person commits the crime of prostitution in the third degree if the person offers a fee in exchange for sexual conduct. Prostitution in the third degree is a class A misdemeanor.

Prostitution in the Fourth Degree: A person commits the crime of prostitution in the fourth degree if the person engages in, agrees, or offers to engage in

sexual conduct in return for a fee. Prostitution in the fourth degree is a class B misdemeanor.

This section is a conforming change which references the new sex trafficking statutes in the prostitution statute.

Section 39. This is a conforming change to the changes made in sec. 38.

Section 40 - 41. These sections define "place of prostitution" and "fee."

Sections 42 and 43. These sections make conforming changes related to the amendments made in section 32 - 36.

Section 44. This section adds the definitions that apply to the sex trafficking statutes and the human trafficking statutes to the general definition statute in Title 11 (AS 11.81.900).

Section 45. This section establishes that there is no statute of limitations for sex trafficking and human trafficking in the first and second degrees. However, the statute of limitations for sex trafficking in the third degree and human trafficking in the third degree is ten years.

Section 46. This section makes conforming changes reflecting the amendments to sex trafficking and human trafficking.

Section 47. This section makes confidential communications between a victim of sex trafficking and a victim counselor privileged.

Sections 48. This section adds a new provision to the statute that lays out the types of sanctions that can be imposed for a criminal offense to include that a court shall revoke a business license of a person who is convicted of sex trafficking or human trafficking if the person used the business in furtherance of the offense.

Section 49. This section makes conforming changes to the statute relating to fines reflecting the changes

made to the sex trafficking and human trafficking statutes.

Section 50. This section amends the statute relating to a suspended entry of judgment to prohibit a person who has been charged with sex or human trafficking or prostitution in the first or second degree from being eligible for a suspended entry of judgment.

Section 51. This section amends the statute relating to a suspended imposition of sentence to prohibit a person who has been charged with sex or human trafficking or prostitution in the first or second degree from being eligible for a suspended imposition of sentence.

Section 52. This section establishes that human trafficking, as an unclassified felony, will be sentenced between 5 and 99 years.

Section 53. This section amends AS 12.55.125(i) (the sex offense sentencing statutes) incorporating the new sex trafficking statutes and patron of a victim of sex trafficking statute. This ensures that these offenses will be subject to the higher sentences associated with sex offenses. This section also corrects an error in the citation of unlawful exploitation of a minor under AS 11.41.455(c)(1) and indecent viewing of a picture under AS 11.61.123.

Section 54. This section establishes mandatory minimum terms of imprisonment for repeat patrons of sex workers. Upon the second conviction with five years, the person will be subject to a class A misdemeanor with a mandatory minimum of 72 hours to serve.

Section 55. This section makes conforming changes to the definition of "most serious felony" reflecting the new sex trafficking statutes.

Section 56. This section adds sex trafficking and patron of a victim of sex trafficking to the definition of "sexual felony" and corrects the citation to indecent viewing of a picture under AS 11.61.123.

Sections 57 and 58. These sections extend the protections offered to victims of sex offenses in

regards to how they are interviewed by the defense to victims of all registerable sex offenses.

Sections 59-60. These sections amend the prohibition on publishing of the name of a victim of a sexual offense in public court documents to include victims of all registerable sex offenses. The victim will be instead identified by initials.

[8:53:29 AM](#)

Ms. Tallmadge continued reviewing the sectional:

Section 61. This section amends the definition of "serious offense" to reflect the changes made to the prostitution statutes.

Section 62. This section amends the definition of "sex offense" in AS 12.66 to include sex trafficking in the first and second degrees as well as patron of a victim of sex trafficking.

Section 63. This section establishes a process whereby a person who has been convicted of prostitution can get that conviction vacated if they are able to show that they were a victim of sex trafficking at the time that they committed the offense. If the conviction is vacated, the court system may not publish records relating to the conviction on CourtView nor may the Department of Public Safety release that information as part of an employment background check.

Section 64 and 67 - 71. These sections incorporate education on sex and human trafficking into any education provided to students on sexual abuse, sexual assault, and dating violence.

Section 65. This section requires a person seeking a teaching certificate to receive training of sex and human trafficking.

Section 66. This section requires the revocation of a person's teaching certificate if they have been convicted of sex trafficking.

Section 72. This section prohibits a person who has been convicted of sex trafficking or being a patron of

a victim of sex trafficking from being a teacher at a religious or other private school.

Representative Galvin understood that the teaching profession had its own separate clause; however, Sections 2 through 29 related to licensing and teachers' licenses were not included. She thought that teaching licenses would be included and asked for more information.

Ms. Tallmadge deferred the question to Ms. Manning.

Co-Chair Foster noted that Ms. Manning was no longer online and discerned that there was no one else available from DEED to speak to the question.

Representative Galvin suggested that her question could be covered at a later date. She had noticed that teaching was not identified in the list of license types in the bill. She was uncertain whether the exclusion was purposeful and wanted to highlight it.

[8:56:49 AM](#)

Ms. Tallmadge continued reading the sectional:

Section 73. This section makes a conforming change to the statute which allows for some privileged information to be disclosed. Specifically, if the victim of sex trafficking has been charged with a crime under AS 11.41 against a minor or where the physical, mental, or emotional condition of the victim is raised as a defense of the victim.

Section 74 - 78. These sections make conforming amendments to extend the protections on privileged communications for victims of sexual assault and domestic violence to victims of sex trafficking.

Section 79. This section amends the definition of "crisis intervention and prevention program" to include programs that provide information, education, counseling, and referral services to individuals experiencing a crisis related to sex trafficking.

Section 80 - 81. These sections amend the statutes relating to the Violent Crimes Compensation Board to include victims of sex trafficking.

Section 82. This section allows the public defender to represent a person who is petitioning for a vacation of judgement.

Section 83. This section makes conforming changes to the statute relating to the licensing of school bus drivers to reflect the changes made to the sex trafficking and prostitution statutes and to incorporate the new crime of patron of a victim of sex trafficking.

Sections 84 and 85. These sections make conforming changes referencing the changes made to the sex trafficking and prostitution statutes.

Section 86. This section makes a person who has had their conviction for prostitution vacated eligible for a permanent fund dividend.

Section 87. This section authorizes administrative subpoenas for sex trafficking in the first, second, and third degrees. Sections 88 - 91. These sections make conforming changes referencing the changes made to the sex trafficking statutes.

Section 92. This section is the repealer section.

Section 93. This section is the applicability section. The majority of this bill will apply to offenses occurring on or after the effective date.

Section 95. This section makes the sections relating to sex trafficking education effective January 1, 2024.

Section 96. This section makes the remainder of the bill effective July 1, 2023.

Ms. Tallmadge noted that the effective dates would need to be amended.

[8:58:55 AM](#)

Co-Chair Foster CLOSED public testimony.

HB 68 was HEARD and HELD in committee for further consideration.

Co-Chair Foster reviewed the agenda for the following meeting.

ADJOURNMENT

[9:00:34 AM](#)

The meeting was adjourned at 9:00 a.m.