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Referred: Judiciary and
Finance

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

1 IN THE HOUSE

HOUSE BILL NO. 184

2

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to illegally controlled enterprises
7 and the forfeiture of property that is used in vio-
8 lation of state law; and providing for an effective
9 date."

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

11 * Section 1. DECLARATION OF LEGISLATIVE PURPOSE. The legislature has
12 determined that the acquisition, establishment, or operation of legitimate
13 and illegitimate enterprises in Alaska through a pattern of criminal activ-
14 ity is inimical to the continued health of our economic and social systems.
15 The purpose of this Act is to provide appropriate penalties and severe
16 financial disincentives that can be applied to combat this type of conduct.
17 The legislature intends that this Act be liberally construed to effectuate
18 its remedial purpose.

19 * Sec. 2. AS 11 is amended by adding a new chapter to read:

20 CHAPTER 59. ILLEGALLY CONTROLLED ENTERPRISES.

21 ARTICLE 1. PROHIBITED ACTIVITIES.

22 Sec. 11.59.010. UNLAWFUL ACTS. It is unlawful for a person to

23 (1) acquire or maintain, directly or indirectly, an inter-
24 est in or control of an enterprise through racketeering;

25 (2) participate in or conduct, directly or indirectly, the
26 affairs of an enterprise through racketeering; or

27 (3) use or invest property derived, directly or indirectly,
28 from racketeering, or the proceeds of that property, to acquire or
29 maintain an interest in or control of an enterprise or to participate

1 in or conduct the affairs of an enterprise.

2 Sec. 11.59.020. DEFINITION OF "RACKETEERING." (a) As used in
3 AS 11.59.010, "racketeering" means a pattern of illegal activity that
4 involves two or more instances of illegal activity.

5 (b) As used in this section and AS 11.59.030, "illegal activity"
6 means

7 (1) a felony against the person under AS 11.41;

8 (2) a crime against property under AS 11.46, punishable as
9 a class B felony;

10 (3) a felony against public administration under AS 11.56,
11 a felony against public order under AS 11.61, a felony involving
12 alcoholic beverages under AS 04 or a felony involving securities or
13 takeover bids under AS 45.55 or 45.57;

14 (4) a crime involving controlled substances under AS 11.71,
15 punishable as an unclassified or class A or B felony;

16 (5) promoting prostitution in the first degree under
17 AS 11.66.110, promoting gambling in the first degree under AS 11.66.-
18 210; and possession of gambling records in the first degree under
19 AS 11.66.230;

20 (6) felony conduct which is defined as "racketeering activ-
21 ity" under 18 U.S.C. sec. 1961(1).

22 (c) As used in this section, a "pattern" of illegal activity
23 means that the instances of illegal activity had the same or similar
24 purposes, results, victims, participants, or methods of commission, or
25 were interrelated by distinguishing characteristics.

26 Sec. 11.59.030. PROOF OF RACKETEERING. (a) The instances of
27 illegal activity used to establish racketeering, as defined in AS 11.-
28 59.020, must include

29 (1) one instance of illegal activity that is in violation

1 of Alaska law;

2 (2) one instance of illegal activity that occurred after
3 the effective date of this Act; and

4 (3) one instance of illegal activity that was committed
5 three years before or after the alleged acquisition or maintenance of
6 an interest in or control of the enterprise, or the alleged participa-
7 tion in or conducting of the affairs of the enterprise as described in
8 AS 11.59.010.

9 (b) The requirements of (a) of this section may be satisfied by
10 a single instance of illegal activity.

11 (c) Past illegal activity may be used to establish racketeering
12 as defined in AS 11.59.020 if less than five years have elapsed be-
13 tween the date of the most recent instance of illegal activity and the
14 immediately preceding instance of illegal activity.

15 (d) Illegal activity that is used to establish racketeering as
16 defined in AS 11.59.020 may be proved by

17 (1) a certified copy of a judgment of conviction;

18 (2) proof beyond a reasonable doubt in a criminal prose-
19 cution under AS 11.59.040 or 11.59.050; or

20 (3) proof by a preponderance of the evidence in a proceed-
21 ing under AS 11.59.070 -- 11.59.120.

22 (e) For purposes of calculating the three-year period specified
23 in (a)(3) of this section and the five-year period specified in (c) of
24 this section, any period of imprisonment, probation, parole, condi-
25 tional executive clemency, suspended imposition of sentence, formal
26 deferred prosecution or formal pretrial diversion must be excluded.

27 **ARTICLE 2. CRIMES INVOLVING ILLEGALLY**

28 **CONTROLLED ENTERPRISES.**

29 **Sec. 11.59.040. ILLEGAL CONTROL OF AN ENTERPRISE IN THE FIRST**

1 DEGREE. (a) A person commits the crime of illegal control of an
2 enterprise in the first degree if the person violates AS 11.59.050,
3 and if one of the instances of illegal activity used to establish
4 racketeering as defined in AS 11.59.020 was

5 (1) an unclassified or class A felony in Alaska; or

6 (2) a crime in Alaska or in another jurisdiction having
7 elements similar to a current class A felony or unclassified felony in
8 Alaska.

9 (b) Illegal control of an enterprise in the first degree is an
10 unclassified felony and is punishable as specified in AS 12.55.125(i).

11 Sec. 11.59.050. ILLEGAL CONTROL OF AN ENTERPRISE IN THE SECOND
12 DEGREE. (a) A person commits the crime of illegal control of an
13 enterprise in the second degree if the person violates AS 11.59.010 or
14 attempts or solicits a violation of AS 11.59.010.

15 (b) Illegal control of an enterprise in the second degree is a
16 class A felony.

17 Sec. 11.59.060. CHARGING UNDERLYING ACT. In a criminal prose-
18 cution under AS 11.59.040 or 11.59.050, a violation of a criminal law
19 that is used to prove racketeering as defined in AS 11.59.020 may be
20 charged as a separate count in the same indictment or information as
21 the violation of AS 11.59.040 or 11.59.050.

22 ARTICLE 3. CIVIL REMEDIES.

23 Sec. 11.59.070. EFFECT OF CONVICTION ON OTHER PROCEEDINGS. A
24 criminal conviction for a violation of AS 11.59.040 or 11.59.050
25 estops the defendant from denying the essential allegations of the
26 crime in any subsequent proceeding brought by any party under this
27 chapter, a forfeiture proceeding under AS 09.50, or under any other
28 provision of law.

29 Sec. 11.59.080. CIVIL ACTION FOR TREBLE DAMAGES. (a) A person,

1 including the state or other governmental agency, that is injured in
2 business or property by reason of a violation of AS 11.59.010 may
3 bring an action in the superior court for three times the amount of
4 damages sustained.

5 Sec. 11.59.090. PROPERTY SUBJECT TO FORFEITURE. Property, or
6 the proceeds of property, is subject to forfeiture to the State of
7 Alaska under AS 09.50 if

8 (1) acquired or maintained in violation of, or in the
9 course of violating, AS 11.59.010;

10 (2) used or invested in violation of, or in the course of
11 violating, AS 11.59.010; or

12 (3) derived, directly or indirectly, from racketeering, as
13 defined in AS 11.59.020.

14 Sec. 11.59.100. INJUNCTIVE RELIEF. (a) In addition to any
15 other action authorized by law, the attorney general may bring a
16 separate ex parte action in the superior court to enjoin a violation
17 of AS 11.59.010. The superior court may prevent or restrain viola-
18 tions of AS 11.59.010 by issuing appropriate temporary or permanent
19 orders which may include divestiture of any interest in an enterprise,
20 performance bonds, reasonable restrictions on future activities or in-
21 vestments, the attachment and freezing of assets, prohibitions against
22 engaging in the same type of activities as the enterprise engaged in,
23 and dissolution or reorganization of any enterprise, making appropri-
24 ate provision for the rights of innocent persons.

25 (b) At any time after a civil or criminal proceeding arising out
26 of a violation of AS 11.59.010 has been instituted, the superior court
27 may issue appropriate orders and injunctive relief that may include
28 the remedies listed in (a) of this section, or any other order to
29 prevent disposal or diminution in value of property subject to

1 forfeiture under AS 11.59.090(1) or (2) or subject to a claim for
2 damages under AS 11.59.080.

3 (c) Upon a criminal conviction or a civil judgment, including an
4 order of forfeiture, arising out of a violation of AS 11.59.010, the
5 superior court may issue appropriate orders that may include the
6 remedies listed in (a) of this section.

7 Sec. 11.59.110. CIVIL INVESTIGATIVE DEMAND. (a) Whenever there
8 is reason to believe that a person or enterprise may be in possession,
9 custody, or control of a document or other material that may be rele-
10 vant to an investigation relating to a violation of AS 11.59.010, the
11 attorney general may, before the institution of a civil or criminal
12 proceeding, issue a written investigative demand requiring the produc-
13 tion of the material for examination.

14 (b) A demand for material must

15 (1) state the nature of the conduct that is under inves-
16 tigation;

17 (2) describe the class or classes of documentary or other
18 material to be produced with such definiteness and certainty as to
19 permit the material to be readily identified; and

20 (3) state that the demand must be complied with immediately
21 if there is reason to believe that the material sought may be con-
22 cealed, destroyed, or tampered with, or specify a date that will
23 provide a reasonable period of time within which the material may be
24 assembled and made available for inspection and copying or reproduc-
25 tion.

26 (c) Service of a demand for materials under this section may be
27 made by

28 (1) delivering a copy to a partner, executive officer,
29 managing agent, or general agent of an enterprise, or to an agent

1 authorized to receive service of process on behalf of an enterprise,
2 or to any individual person;

3 (2) delivering a copy to the principal office or place of
4 business of the person to be served; or

5 (3) depositing a copy in the United States mail, by regis-
6 tered or certified mail addressed to the principal office or place of
7 business of the person to be served.

8 (d) A person upon whom a demand issued under this section has
9 been served shall make the material available for inspection and
10 copying by the attorney general at the principal place of business of
11 the person, or at such other place as the attorney general may direct.
12 Failure to comply with a civil investigative demand under this section
13 is punishable in the superior court as contempt, to the same extent as
14 a contempt of any order issued from that court.

15 (e) The attorney general may take physical possession of any
16 materials produced, and is responsible for their return under this
17 section. No material may be made available for examination by an
18 individual other than the attorney general, without the consent of the
19 person who produced the material. Under such reasonable terms as the
20 attorney general prescribes, documentary material must be available
21 for examination by the person who produced the material, or an author-
22 ized representative of that person.

23 (f) Within 90 days after the production of an original document
24 or other material, or upon the completion of the investigation for
25 which the original material was produced under this section, or upon
26 completion of a case or proceeding arising from an investigation,
27 whichever is sooner, the attorney general shall return all original
28 material which has not passed into the control of a court or grand
29 jury. For good cause, the superior court may grant the attorney

1 general an extension of time to return the material.

2 Sec. 11.59.120. ATTEMPT OR SOLICITATION TO VIOLATE AS 11.59.010.
3 As used in AS 11.59.070 -- 11.59.120, the term "violation of AS 11.-
4 59.010", or a similar phrase, includes an attempt or solicitation
5 under AS 11.31 to violate AS 11.59.010.

6 ARTICLE 4. GENERAL PROVISIONS.

7 Sec. 11.59.900. DEFINITIONS. As used in this chapter, unless
8 the context requires otherwise,

9 (1) "enterprise" includes any individual, partnership,
10 corporation, association, or other legal entity, and any union or
11 group of persons associated in fact although not a legal entity;

12 (2) "property" means any thing of value, including real or
13 personal property, claims against or interests in business or proper-
14 ty, contractual rights, securities, income, profits, any interest in
15 an enterprise, or any other business or financial interest.

16 * Sec. 3. AS 09.50 is amended by adding a new article to read:

17 ARTICLE 7. FORFEITURE.

18 Sec. 09.50.400. PROCEDURES APPLICABLE IN FORFEITURE PROCEEDINGS.
19 The State of Alaska is authorized to initiate a proceeding to forfeit
20 property if the property is made subject to forfeiture by state law.
21 Unless otherwise specifically provided in a state law authorizing
22 forfeiture, the procedures applicable to the forfeiture of property
23 are specified in AS 09.50.400 -- 09.50.480.

24 Sec. 09.50.410. SEIZURE AND CUSTODY OF PROPERTY. (a) Property
25 may be seized by a peace officer under an order issued by a court upon
26 a showing of probable cause that the property is subject to forfei-
27 ture. The property may be seized without a court order if

28 (1) constitutionally permissible or otherwise authorized by
29 law;

1 (2) the property has been the subject of a judgment in
2 favor of the state in a forfeiture proceeding; or

3 (3) there is probable cause to believe that the property is
4 subject to forfeiture and is easily movable; property seized under
5 this paragraph may not be held for more than 48 hours without a court
6 order, which may be obtained in an ex parte proceeding, based on
7 probable cause that the property is subject to forfeiture.

8 (b) Property seized under (a) of this section must be held in
9 the custody of the commissioner of public safety or a municipal law
10 enforcement agency authorized by the commissioner to retain custody,
11 subject only to the orders and decrees of the court. If property is
12 seized under this section, the commissioner of public safety or an
13 authorized municipal law enforcement agency may

14 (1) place the property under seal;

15 (2) remove the property to a place designated by the court;

16 or

17 (3) take custody of the property and remove it to an appro-
18 priate location for disposition in accordance with law.

19 (c) Within 10 days after a seizure under this section, the
20 commissioner of public safety or authorized municipal law enforcement
21 agency shall make an inventory of any property seized, including
22 controlled substances, and shall estimate the value of any items
23 seized other than controlled substances. As used in this section,
24 "controlled substance" includes "imitation controlled substance" as
25 defined in AS 11.73.099.

26 Sec. 09.50.420. NOTICE OF SEIZURE AND FORFEITURE ACTION; AN-
27 SWERS. (a) Within 30 days after a seizure under AS 09.50.410, the
28 commissioner of public safety shall, in any manner authorized for
29 service of process under rules of civil procedure, give notice of the

1 seizure to any person known to have an interest in the property if it
2 has an estimated value of \$500 or more, or whose interest in the
3 property is ascertainable from official registration numbers, li-
4 censes, or other state, federal, or municipal numbers on the property.
5 The notice required by this subsection need not be given if the state
6 has filed a motion to forfeit or a complaint under AS 09.50.430(a)
7 within 30 days after seizure of the property.

8 (b) Within 30 days after the filing of a civil in rem action or
9 a motion to forfeit in a civil or criminal action, the commissioner of
10 public safety shall,

11 (1) in any manner authorized for service of process under
12 rules of civil procedure, provide a copy of the complaint or motion to
13 any person known to have an interest in the property, other than the
14 defendant, when a motion for forfeiture has been filed in a criminal
15 proceeding; and

16 (2) begin to publish notice of the action to forfeit prop-
17 erty with an estimated value of \$500 or more in a newspaper of general
18 circulation in the judicial district where the property was seized, or
19 if the property has not been seized, the judicial district where the
20 forfeiture action was filed; if no newspaper is published in that
21 judicial district, the notice must be published in a newspaper pub-
22 lished in the state and distributed in that judicial district; the
23 notice must be published once each week during four consecutive calen-
24 dar weeks.

25 (c) Upon service of process or publication under (b) of this
26 section, a person claiming an interest in the property, or a defendant
27 in a criminal proceeding who has been served with a motion to forfeit,
28 shall file an answer within the time permitted for answering civil
29 complaints under applicable rules of civil procedure. The answer must

1 set out the reasons why the property is not subject to forfeiture or
2 why the claimant is entitled to remission under AS 09.50.470. The
3 answer must include the nature of the claimant's interest in the
4 property, the date it was acquired, the consideration paid, and the
5 circumstances under which it was acquired. If an answer is not filed
6 within the required time period, the property must be forfeited to the
7 state without further proceedings or showings.

8 (d) The notice requirements of this section do not apply to
9 controlled substances under AS 11.71 or imitation controlled sub-
10 stances under AS 11.73.

11 Sec. 09.50.430. PROCEEDINGS RESULTING IN FORFEITURE; BURDEN OF
12 PROOF. (a) A forfeiture proceeding is initiated by the state by the
13 filing of a motion to forfeit in a criminal case or in a civil pro-
14 ceeding relating to the conduct making the property subject to forfei-
15 ture, or by the filing of a complaint in a separate in rem proceeding.

16 (b) Questions of fact or law in a forfeiture proceeding under
17 this section must be determined by the court sitting without a jury.
18 In a forfeiture proceeding the state must prove by a preponderance of
19 the evidence that the property is subject to forfeiture under the law
20 authorizing forfeiture. A forfeiture proceeding, including discovery,
21 may be held in abeyance until the conclusion of a pending criminal
22 action relating to the conduct making the property subject to forfei-
23 ture.

24 Sec. 09.50.440. DEFENSES EXEMPTED. It is not a defense to a
25 proceeding to forfeit property under AS 09.50.430 that a criminal
26 proceeding has resulted in a conviction of a lesser included offense
27 or an acquittal.

28 Sec. 09.50.450. PETITION FOR RELEASE OF SEIZED PROPERTY. (a) A
29 claimant may at any time petition the court for release of property

1 seized under AS 09.50.410 if the claimant

2 (1) has filed a timely answer under AS 09.50.420(c); or

3 (2) before the initiation of a forfeiture action, files a
4 notice of claim setting out the nature of the claimant's interest in
5 the property, the date it was acquired, the consideration paid, and
6 the circumstances under which it was acquired.

7 (b) The court may release property that is not likely to be used
8 as evidence by the state or a defendant in a criminal proceeding, or
9 by any party in a civil proceeding, if

10 (1) the claimant gives adequate assurance that the property
11 will remain subject to the court's jurisdiction;

12 (2) the court finds that the release is in the best inter-
13 ests of the state; and

14 (3) the claimant provides a bond or other valid and equiva-
15 lent security equal to twice the estimated value of the property.

16 Sec. 09.50.460. PETITION FOR DISPOSITION OF SEIZED PROPERTY.

17 (a) The state may petition the court for disposition of seized prop-
18 erty before the termination of court proceedings. A claimant may also
19 seek a petition for disposition before the termination of court pro-
20 ceedings if the claimant

21 (1) has filed a timely answer under AS 09.50.420(c); or

22 (2) before the initiation of a forfeiture action, files a
23 notice of claim setting out the nature of the claimant's interest in
24 the property, the date it was acquired, the consideration paid, and
25 the circumstances under which it was acquired.

26 (b) The court may grant a petition for disposition if the prop-
27 erty is not likely to be used as evidence by the state or a defendant
28 in a criminal proceeding, or by any party in a civil proceeding, and
29 the court finds that the disposition is in the best interests of the

1 state and the preservation and maintenance of the value of the proper-
2 ty seized. Proceeds from the disposition plus interest to the date of
3 termination of the court proceedings become the subject of the forfei-
4 ture action.

5 Sec. 09.50.470. FORFEITURE AND REMISSION. (a) Once the state
6 has established that property is subject to forfeiture under the law
7 authorizing forfeiture, the property must be forfeited to the state,
8 except that a claimant who has filed an answer under AS 09.50.420(c)
9 may prove by a preponderance of the evidence that the claimant is
10 entitled to remission because the claimant

11 (1) has a valid interest in the property, acquired in good
12 faith;

13 (2) did not participate in the conduct that resulted in the
14 property being subject to forfeiture; and

15 (3) did not know or have reasonable cause to believe that
16 the property had been or would be used or derived in a manner making
17 the property subject to forfeiture.

18 (b) Upon a showing that a claimant is entitled to remission
19 under (a) of this section, the court shall order that

20 (1) if the claimant is entitled to the property, it must be
21 delivered to the claimant immediately;

22 (2) if the claimant is entitled to some value less than the
23 total value of the property, the claimant may choose to receive either
24 the value of the interest or, upon payment of the difference in value,
25 the entire property.

26 (c) The court may, as part of a sentence, or as a condition of a
27 probation or suspended imposition of sentence, order the payment of
28 reasonable maintenance, storage, disposal, publication, attorney fees,
29 or other costs associated with the forfeiture or remission of

1 property.

2 Sec. 09.50.480. STATE DISPOSAL OF FORFEITED PROPERTY. Property
3 forfeited under this chapter, other than controlled substances, must
4 be disposed of by the commissioner of administration in accordance
5 with applicable law. Controlled substances and imitation controlled
6 substances must be disposed of under AS 17.30.126. The commissioner
7 of administration may, consistent with other applicable law,

8 (1) destroy property harmful to the public;

9 (2) sell the property and use the proceeds for payment of
10 all proper expenses of the proceedings for forfeiture and sale, in-
11 cluding expenses of seizure, custody, and court costs;

12 (3) take custody of the property and authorize its use in
13 the enforcement of the law or transfer it to another agency of the
14 state or a political subdivision of the state for a use in furtherance
15 of the administration of justice;

16 (4) take custody of the property and remove it for disposi-
17 tion in accordance with law;

18 (5) forward it to the United States Department of Justice
19 for disposition; or

20 (6) transfer ownership of an aircraft to the Alaska Wing,
21 Civil Air Patrol.

22 * Sec. 4. AS 11.41.520 is amended by adding a new subsection to read:

23 (e) As used in this section, "obtains the property of another"
24 includes the collection of a debt that was undertaken with the express
25 or implied understanding between the debtor and the creditor that
26 delay in making repayment, or failure to make repayment, could result
27 in commission of any of the acts described in (a)(1) -- (7) of this
28 section.

29 * Sec. 5. AS 11.66.270 is amended to read:

1 Sec. 11.66.270. FORFEITURE. If used in violation of AS 11.66.-
2 200 -- 11.66.280, the following property is subject to forfeiture
3 under AS 09.30 [SHALL BE FORFEITED]:

- 4 (1) a gambling device or gambling record;
5 (2) money, not found on the person, used as a bet or stake;
6 (3) money, used as a bet or a stake which is found on the
7 person of one who conducts, finances, manages, supervises, directs, or
8 owns all or part of an unlawful gambling enterprise.

9 * Sec. 6. AS 11.73.060(a) is amended to read:

10 (a) Property used during or in aid of a violation of this chap-
11 ter may be forfeited to the state to the extent permitted under and in
12 accordance with the provisions of AS 17.30.110 -- 17.30.126 and
13 AS 09.30.

14 * Sec. 7. AS 12.55.035(B)(1) is amended to read:

15 (1) \$75,000 for an unclassified felony [MURDER IN THE FIRST
16 OR SECOND DEGREE, SEXUAL ASSAULT IN THE FIRST DEGREE, KIDNAPPING, OR
17 MISCONDUCT INVOLVING A CONTROLLED SUBSTANCE IN THE FIRST DEGREE].

18 * Sec. 8. AS 12.95.125(1) is amended to read:

19 (1) A defendant convicted of illegal control of an enterprise in
20 the first degree, sexual assault in the first degree or sexual abuse
21 of a minor in the first degree may be sentenced to a definite term of
22 imprisonment of not more than 30 years, and must [SHALL] be sentenced
23 to the following presumptive terms, subject to adjustment as provided
24 in AS 12.55.195 -- 12.55.175:

25 (1) if the offense is a first felony conviction and does
26 not involve circumstances described in (2) of this subsection, eight
27 years;

28 (2) if the offense is a first felony conviction, and the
29 defendant possessed a firearm, used a dangerous instrument, or caused

1 serious physical injury during the commission of the offense, 10
2 years;

3 (3) if the offense is a second felony conviction, 15 years;

4 (4) if the offense is a third felony conviction, 25 years.

5 * Sec. 9. AS 17.30.110 is repealed and reenacted to read:

6 Sec. 17.30.110. ITEMS SUBJECT TO FORFEITURE. (a) The following
7 property is subject to forfeiture under AS 09.50 and AS 17.30.126:

8 (1) a controlled substance which has been manufactured,
9 distributed, dispensed, acquired, or possessed in violation of this
10 chapter or AS 11.71;

11 (2) raw materials, products, and equipment which are used
12 or intended for use in manufacturing, distributing, compounding,
13 processing, delivering, importing, or exporting a controlled substance
14 in violation of this chapter or AS 11.71;

15 (3) property which is used or intended for use as a con-
16 tainer for property described in (1) or (2) of this section;

17 (4) a conveyance, including but not limited to aircraft,
18 vehicles, or vessels, which has been used or is intended for use in
19 transporting or in any manner in facilitating the transportation,
20 sale, receipt, possession, or concealment of property described in (1)
21 or (2) of this section in violation of a felony offense under this
22 chapter or AS 11.71;

23 (5) books, records, and research products and materials,
24 including formulas, microfilm, tapes, and data, which are used in
25 violation of this chapter or AS 11.71;

26 (6) money, securities, negotiable instruments, or other
27 property

28 (A) furnished by a person in exchange for a controlled
29 substance in violation of this chapter or AS 11.71;

1 (B) used to facilitate a violation of this chapter or
2 AS 11.71; or

3 (C) which constitute proceeds derived from a violation
4 of this chapter or AS 11.71; and

5 (7) a firearm carried during, or used in furtherance of a
6 violation of this chapter or AS 11.71.

7 (b) In this section, "violation of this chapter or AS 11.71"
8 includes an attempt or solicitation under AS 11.31 to violate this
9 chapter or AS 11.71.

10 * Sec. 10. AS 17.30.126 is amended by adding a new subsection to read:

11 (c) As used in this section, "controlled substance" includes
12 "imitation controlled substance" as defined in AS 11.73.099.

13 * Sec. 11. AS 17.30.112 -- 17.30.124 are repealed.

14 * Sec. 12. This Act takes effect January 1, 1986.