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COMMITTEE REPORT

SENATE

FURTHER:

JUDICIARY
FINANCE

2/18/85

Date 3/13/85

Mr. President

The Committee on STATE AFFAIRS considered SB 162
relating to public records and certification of state vouchers, efd.

and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass
- do pass with attached amendment(s)
- replace with/or adopt CS for SB 162 (SA)
- new title
- same title and recommends _____
- and attached a "LETTER OF INTENT" [] NEW FISCAL NOTE
- reports it back without recommendation
- recommends referral to _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS

Brian Kay
V. Fischen
Tom Kelly

[Signature]
Chairman
[Signature]
Chairman recommendation

STATE OF ALASKA

BILL SHEFFIELD, GOVERNOR

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

POUCH K - STATE CAPITOL
JUNEAU, ALASKA 99811
PHONE: (907) 465-3600

March 11, 1985

Honorable Mitchell Abood, Chairman
Senate State Affairs Committee
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Attention: Catherine, A.A.

Re: CSSB 162 (public records and
certification of government
vouchers)

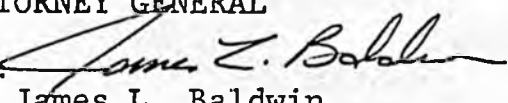
Dear Senator Abood:

Attached is the draft committee substitute for SB 162. Please note that we are proposing a title change to more accurately describe the contents of the bill. Dean Guaneli of our criminal division will appear on Tuesday, March 12, 1985 and explain the provisions of the proposed committee substitute.

Sincerely yours,

NORMAN C. GORSUCH
ATTORNEY GENERAL

By:


James L. Baldwin
Assistant Attorney General

JLB:md

cc w/enc.:

Hon. Bill Ray, Senator
Alaska State Legislature

Ken Bischoff, Director
Div. of Finance
Dept. of Administration

Dean Guaneli, Asst. Atty. Gen.
Criminal Division
Dept. of Law

C32LH

latest CS for SB 162 from

DRAFT #1 2
Law 3/11/85 fvu

Original sponsor: Rules/Governor

1 IN THE SENATE BY THE STATE AFFAIRS COMMITTEE

2 CS FOR SENATE BILL NO. 162 (State Affairs)

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 public records and certification
7 of government vouchers; and providing for an effective date."
8

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

10 * Section 1. AS 11.56 is amended by adding a new section to read:

11 Sec. 11.56.815. TAMPERING WITH PUBLIC RECORDS IN THE FIRST
12 DEGREE. (a) A person commits the crime of tampering with public
13 records in the first degree if the person violates AS 11.56.820(a)
14 with intent to obtain a benefit for that person or or any person or to
15 injure or deprive another person of a benefit.

16 (b) Tampering with public records in the first degree is a class
17 C felony.

18 * Sec. 2. AS 11.56.820 is amended to read:

19 Sec. 11.56.820. TAMPERING WITH PUBLIC RECORDS IN THE SECOND
20 DEGREE. (a) A person commits the crime of tampering with public
21 records in the second degree if the person [KNOWINGLY]

22 (1) knowingly makes a false entry in or falsely alters a
23 public record; [OR]

24 (2) knowingly destroys, mutilates, suppresses, conceals,
25 removes, or otherwise impairs the verity, legibility, or availability
26 of a public record, knowing that the person lacks the authority to do
27 so; or

1 reckless disregard of whether the claim is lawful, or that payment of
2 the claim is not authorized in the budget of the government agency.

3 (b) In this section

4 (1) "certifies" means attesting to the existence, truth, or
5 accuracy of facts, or that one holds an opinion, stated in a public
6 record; the term includes the responsibilities for state officials set
7 out in AS 37.10.030;

8 (2) "falsely alters" has the meaning ascribed to it in
9 AS 11.46.580; and

10 (3) "makes a false entry" means to change or create a
11 public record, whether complete or incomplete, by means of erasure,
12 obliteration, deletion, insertion of new matter, transposition of
13 matter, or by any other means, so that the record so changed or cre-
14 ated states or implies a fact that the maker knows is not true, or
15 states or implies an opinion that the maker does not hold.

16 (c) Tampering with public records in the second degree is a
17 class A misdemeanor.

18 * Sec. 3. AS 37.10.030 is amended by adding a new subsection to read:

19 (b) In (a) of this section, an approval or certification of a
20 voucher is effective when an authorized person uses a password as-
21 signed by the department if the certification or the voucher itself is
22 prepared and recorded by using an electronic accounting device that is
23 a part of the computerized state accounting systems.

24 * Sec. 4. AS 44.21.050 is repealed.

25 * Sec. 5. This Act takes effect July 1, 1985.
26
27

STATE OF ALASKA

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

BILL SHEFFIELD, GOVERNOR

REPLY TO:

1031 W 4th AVENUE
SUITE 200
ANCHORAGE, ALASKA 99501
PHONE: (907) 276-3550

1st NATIONAL CENTER
100 CUSHMAN ST.
SUITE 400
FAIRBANKS, ALASKA 99701
PHONE: (907) 452-1568

POUCH K - STATE CAPITOL
JUNEAU, ALASKA 99811
PHONE: (907) 465-3600

February 28, 1985

Hon. Mitchell Abood, Chairman
Senate State Affairs Committee
Alaska State Senate
Pouch V
Juneau, AK 99811

Re: Proposed CSSB 162(SA), public
records and certification of
state vouchers
Our file: 377-104-85

Dear Senator Abood:

Enclosed please find the proposed committee substitute for SB 162, which incorporates the changes requested by Ken Bischoff, director of the division of finance, Department of Administration. Ken discussed these changes with Jim Baldwin, Assistant Attorney General, who is that agency's representative in the Department of Law.

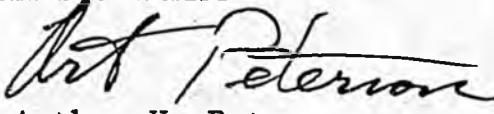
The two changes are as follows:

1. Page 2, line 7 -- 8: The clause "the term includes the responsibilities for state officials set out in AS 37.10.030" has been added.


2. Page 2, line 20: Correction of a typographical error, "an password" to "a password", was made.

Sincerely yours,

NORMAN C. GORSUCH
ATTORNEY GENERAL

By 
Arthur H. Peterson
Assistant Attorney General

CONCUR:


Kenneth Bischoff, Director
Division of Finance
Department of Administration

Hon. Mitchell Abood, Chairman
Senate State Affairs Committee
377-104-85 (CSSB 162(SA))

February 28, 1985
Page #2

AHP/pjg

Enc.

cc w/enc.: Hon. Lisa Rudd
Commissioner
Department of Administration

Ray Gillespie
Legislative Assistant
Governor's Office

Original sponsor: Rules/Governor

1 IN THE SENATE BY THE STATE AFFAIRS COMMITTEE
2 COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 162 (State Affairs)
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 public records and certification
7 of state vouchers; and providing for an effective
8 date."

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

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16 (b) Tampering with public records in the first degree is a class
17 C felony.

18 * Sec. 2. AS 11.56.820 is amended to read:

19 Sec. 11.56.820. TAMPERING WITH PUBLIC RECORDS IN THE SECOND
20 DEGREE. (a) A person commits the crime of tampering with public
21 records in the second degree if the person [KNOWINGLY]

22 (1) knowingly makes a false entry in or falsely alters a
23 public record; [OR]

24 (2) knowingly destroys, mutilates, suppresses, conceals,
25 removes, or otherwise impairs the verity, legibility, or availability
26 of a public record, knowing that the person lacks the authority to do
27 so; or

28 (3) certifies a public record setting out a claim against a
29 government agency, or the property of a government agency, with

1 reckless disregard of the fact that the claim is not lawful, or that
2 payment of the claim is not authorized in the budget of the government
3 agency.

4 (b) In this section

5 (1) "certifies" means attesting to the existence, truth, or
6 accuracy of facts, or that one holds an opinion, stated in a public
7 record; the term includes the responsibilities for state officials set
8 out in AS 37.10.030;

9 (2) "falsely alters" has the meaning ascribed to it in
10 AS 11.46.580; and

11 (3) "makes a false entry" means to change or create a
12 public record, whether complete or incomplete, by means of erasure,
13 obliteration, deletion, insertion of new matter, transposition of
14 matter, or by any other means, so that the record so changed or cre-
15 ated states or implies a fact that the maker does not believe to be
16 true, or states or implies an opinion that the maker does not hold.

17 (c) Tampering with public records in the second degree is a
18 class A misdemeanor.

19 * Sec. 3. AS 37.10.030 is amended by adding a new subsection to read:

20 (b) In (a) of this section, an approval or certification of a
21 voucher is effective when an authorized person uses a password as-
22 signed by the department if the certification or the voucher itself is
23 prepared and recorded by using an electronic accounting device that is
24 a part of the computerized state accounting systems.

25 * Sec. 4. AS 44.21.050 is repealed.

26 * Sec. 5. This Act takes effect July 1, 1985.

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____ Page 1 of 1

REQUEST
 Bill/Resolution No.: SB162
 Title: An Act Relating to Public Records and certification of State Vouchers; and providing for an effective date
 Sponsor: _____
 Requestor: _____
 Date of Request: _____

FISCAL DETAIL
 Agency Affected: A11
 Program Category Affected: A11
 BRU, Program or Subprogram(s) Affected: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING	0	0	0	0	0	0
100 PERSONAL SERVICES	0	0	0	0	0	0
200 TRAVEL	0	0	0	0	0	0
300 CONTRACTUAL	0	0	0	0	0	0
400 SUPPLIES	0	0	0	0	0	0
500 EQUIPMENT	0	0	0	0	0	0
600 LAND & STRUCTURES	0	0	0	0	0	0
700 GRANTS, CLAIMS	0	0	0	0	0	0
800 MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

	0	0	0	0	0	0
FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

No fiscal impact will be incurred

Prepared By: Kenneth E. Bischoff *KEB* *A* Phone: 465-2240
 Division: Finance Date: February 7, 1985

Approved by Commissioner: Lisa Rudd *LR* Date: 2/8/85
 Agency: Department of Administration

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget *fiscal note SB 162*
- Impacted Agency(ies)

Sec. 37.10.030. Responsibility of officer or employee approving or certifying voucher. The officer or employee approving or certifying a voucher

(1) is responsible for the existence and correctness of the facts recited in the certificate or stated on the voucher or its supporting papers and for the legality of the proposed payment under the appropriation or fund involved;

(2) shall give bond in the form and manner prescribed by AS 39.15 to the state, and approved by the Department of Administration, in an amount fixed by the head of the department, agency, or establishment concerned, under standards prescribed by the Department of Administration; the premium on the bond shall be paid from funds made available for the administrative costs of the department, agency, or establishment concerned; officers already bonded under other provisions of law for the faithful performance of their duties are not required to give additional bond; and

(3) shall be held accountable for and required to make good to the state the amount of an illegal, improper, or incorrect payment resulting from a false, inaccurate, or misleading certificate made by the officer or employee, or a payment prohibited by law or which does not represent a legal obligation under the appropriation or fund involved. (§ 12-3-3 ACLA 1949)

Revisor's notes. — Section 12-3-3 and § 2, ch. 24, SLA 1953 re-enacted ACLA 1949 was repealed and re-enacted § 12-3-3 ACLA 1949 as it appeared in by § 38, ch. 133, SLA 1951. Section 1, ch. ACLA 1949. 24, SLA 1953 repealed ch. 133, SLA 1951

Sec. 37.10.040. Enforcement of liability. The liability of a certifying officer or employee is enforced in the same manner as provided by law with respect to enforcement of the liability of a disbursing and other accountable officer. (§ 12-3-4 ACLA 1949)

Article 2. Accounting.

Section	Section
50. Accounting for state money and payment to Department of Revenue for deposit in proper fund	60. Department of Revenue to deposit money to state treasury

Sec. 37.10.050. Accounting for state money and payment to Department of Revenue for deposit in proper fund. (a) Each office, board, commission, or bureau authorized to collect or receive fees, licenses, taxes or other money belonging to the state shall account for and pay the fees, licenses, taxes or other money, less fees to which the collector is entitled by law, to the Department of Revenue at least once each month.

Title 37
Public Financ

Title 35
Buildings, Works,
Improvements

STATE OF ALASKA

Bill Sheffield, Governor

DEPARTMENT OF ADMINISTRATION

DIVISION OF FINANCE

POUCH C
JUNEAU, ALASKA 99811
PHONE:

February 25, 1985

Honorable Mitch Abood
Chairman
Senate State Affairs Committee
Pouch V (MS 3100)
Juneau, AK 99811

Dear Mr. Chairman:

This letter is intended to provide you and the Senate State Affairs Committee a brief background on the need for Senate Bill Number 162 entitled: "An Act relating to public records and certification of State vouchers; and providing for an effective date." This bill is scheduled to be heard by your Committee on Thursday, February 28 at 8:30 a.m.

The passage of this bill is necessary to help establish an adequate system of internal controls in the processing and certification of state accounting and vendor payment transactions.

Introduction of this bill is being prompted by two events:

1. In order to improve vendor payment times and provide accurate, up-to-date accounting information, the new State accounting system (AKSAS) provides for data to be submitted electronically through computer terminals in remote locations throughout the state. State certifying officers are responsible for the propriety of all accounting transactions as defined by AS 37.10.030. Historically, the certification function was evidenced by an individuals hand written signature on a public document. In order to provide improved service to the public and to State agencies, accounting transactions will be certified on-line through computer terminals via electronic passwords which will uniquely identify the individual who authorized and released the transaction for processing. Section Three of this bill amends AS 37.10.030 to provide for the electronic certification feature.
2. Over the past several years there have been instances where State certifying officers and others have deliberately falsified public records. When these instances were referred to the Department of Law for review it was determined that falsification of public records needed to be better defined as a crime in order to be able to successfully prosecute such cases. Section One of this bill defines tampering with public records as a class C felony if the person who violates the law does so to obtain personal benefit or to



February 25, 1985


injure or deprive another person of a benefit. Section Two of this bill defines tampering with public records as a class A misdemeanor if the offense is committed without the intent to obtain personal benefit.

This is basically a housekeeping bill with no fiscal impact. This bill is necessary to provide for proper internal accounting control in our State financial systems and to provide for proper disciplinary action when these controls are violated.

It should be noted that Sections One and Two of the bill apply to all public records and not just to accounting transactions.

We are recommending one modification to the bill and that is to include in the definition of "certifies" contained in Section Two of the bill, the definition of the responsibilities of a State certifying officer as provided by AS 37.10.030.

Sincerely,


Kenneth E. Bischoff
Director

KEB/sg

8/3D1/0225-05

cc: Commissioner Lisa Rudd
Department of Administration

Honorable Edna DeVries
Vice Chairman
Senate State Affairs Committee
Pouch V (MS 3100)
Juneau, AK 99811

Honorable Vic Fischer
Alaska State Legislature
Pouch V (MS 3100)
Juneau, AK 99811

Honorable Tim Kelly
Alaska State Legislature
Pouch V (MS 3100)
Juneau, AK 99811

Honorable Bill Ray
Alaska State Legislature
Pouch V (MS 3100)
Juneau, AK 99811

Gerald L. Wilkerson, C.P.A.
Legislative Auditor
Legislative Affairs Agency
Legislative Finance Division
Pouch V (MS 3200)
Juneau, AK 99811