

H B

13



Official Business

COMMITTEE:

House HESS

DATE: 3-10-87

SIGN-IN

Subject of meeting:

HB 13

HB 129

HB 140

NAME	ADDRESS	PHONE	REPRESENTING	DO YOU WANT TO TESTIFY?
Sam Trivette	P.O. Box T, Juneau	3384	Dept. Corr.	Yes <i>informally</i>
Susan Knighton	PO Box T, Juneau	3376	Dept. Corrections	No
LARRY BUSSONE	Capital Bm. 500	3727	REP. LARSON	YES ¹³ ₄ ₁₅
+ Michael Stark	P.O. BOX KC JUNEAU	3428	Dept. of LAW	Yes
in Bluejay	Legislative Finance	3795		NO
CURTIS MASINGILL	SEN. DON BENNETT CAP 521		SENATE	No
Tom Wright	Rep Rep Swackhammer	2689	Swackhammer	No
Dennis Burns	Rep. Ulmer	4967	Ulmer	NO
Ervin Jones	REVENUE	2313	Revenue - PFD	NO YES. SSHB 13, HB 129

HB 13 -- An Act relating to medical expenses of prisoners

File Contents

- 1) Copy of SSHB 13
- 2) Memo of 2/19/87 from Rep. Larson with Analysis of Sponsor Substitute for HB 13
- 3) Memo of 2/19/87 from Rep. Larson re SSHB 13
- 4) Position paper of Department of Public Safety and Fiscal Note dated 2/23/87
- 5) Minutes of 3/10/87

Alaska State Legislature



Session Address:
STATE CAPITOL BUILDING
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JUNEAU, ALASKA 99811
(907) 465-3727

Interim Address:
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PALMER, ALASKA 99645
(907) 745-3826 - Palmer
(907) 378-8828 - Waialia

Representative Ronald L. Larson
District 16B

DATE: February 19, 1987

TO: Representatives Niilo Koponen and Johnny Ellis,
Co-Chairmen, House HESS Committee

FROM: Representative Ron Larson

SUBJ: Sponsor Substitute for House Bill No. 13

I respectfully request that you schedule Sponsor Substitute for HB 13 at the committee's earliest possible convenience.

I enclose an analysis of the bill, a letter of support from the Department of Corrections, and a letter and information from the Department of Revenue, which includes a fiscal note with accompanying explanation. Do I understand correctly that the Department of Corrections has sent you a fiscal note on the bill?

The Sponsor Substitute was written after--and in response to--Commissioner Malone's letter. The original HB 13 included only Section 1 and Section 6 of the current Sponsor Substitute. The bill's intent was to allow the state to attach a prisoner's PFD check to pay medical costs incurred by the state during the prisoner's incarceration. Commissioner Malone pointed out that many (and perhaps most) prisoners' medical expenses for a year are more than the amount of the permanent fund. He suggested that, and rightly so I believe, once prisoners realized their PFD checks would be garnished, they would likely refuse to file an application for the dividend. Sponsor Substitute for HB 13 remedies that situation by allowing the Department of Corrections to apply on behalf of a prisoner who it believes is eligible for the dividend.

The fiscal analysis provided by Revenue states that in December of 1986 there were 2,306 inmates housed in state institutions and 233 out-of-state institutions, for a total of 2,539. The department basis its fiscal note on those numbers, assumes that all would have their PFD checks

garnished as a result of the legislation, and requests one additional document processor to handle the garnishments.

I see the need for three corrections to the department's assumptions. First and most obvious, not all prisoners would have medical expenses (those serving a three day incarceration for a D.W.I. conviction, for instance). There would not be a need for garnishment of these prisoners' dividends.

Secondly, as explained in the sectional analysis, the bill would allow for garnishment only after four other types of garnishments were satisfied--as stipulated in AS 43.23.065(b)(1)-(4). I would assume that many inmates would have their PFD checks garnished under those four clauses, and therefore garnishments for medical expenses would be a moot issue.

More importantly, however, the department bases its estimates on the number of inmates housed during one month. I can only refer to the Department of Corrections' fiscal year 1985 annual report, as a 1986 report has to my knowledge not been released. That report shows on page 26 that 30,441 bookings occurred during the fiscal year 1985. Some of those bookings, no doubt, involved the same individual booked more than once, and some of the bookings would entail incarceration for a very short period of time (and therefore not entail medical expenses of any large degree); nevertheless, we are talking substantially more than 2,539 garnishments a year. If I am correct on this point, the Department of Revenue will surely need more than one seasonal processor to handle the load. On the other hand, we are talking a substantial savings to the Department of Corrections and therefore to the state (I don't think I am out of line to estimate in the millions). For this reason, I think this bill is a significant one, and should be examined very closely, and at the committee's earliest convenience.

I thank the committee and its chairmen for their consideration.

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Representative Ronald L. Larson
District 16B

DATE: February 19, 1987
TO: House HESS Committee
FROM: Representative Ron Larson *R.L.*
SUBJ: Analysis of Sponsor Substitute for House Bill No. 13

General Analysis:

Sponsor Substitute for HB 13 would amend statute to allow the state to attach a prisoner's PFD check to pay medical costs incurred by the state during the prisoner's incarceration. It would also allow the Department of Corrections to apply on behalf of a prisoner who is eligible for the dividend but refuses to apply for it. The bill's intentions are two: (1) to reduce expenses to the Department of Corrections and therefore to the state and (2) to provide an incentive for prisoners not to abuse the medical services they are provided.

Section by section analysis:

Section 1: Section 1 amends Title 33 (Probation, Prisons, and Prisoners) to allow the Commissioner, Department of Corrections, to attach the PFD check of a prisoner in order to pay that prisoner's medical expenses.

Section 2: Section 2 amends AS 43.23.005 to allow the commissioner to apply on behalf of a prisoner who he believes is eligible for the dividend (when the prisoner refuses to apply for him- or herself).

Section 3: Section 3 states that the commissioner's application for the dividend must include a statement explaining why the commissioner believes the prisoner is eligible for the dividend.

Section 4: Section 4 stipulates that the prisoner on whose behalf the commissioner has filed does not have to sign the dividend application him- or herself.

Section 5: Section 5 mandates that permanent fund dividends claimed by the commissioner must be deposited into the general fund.

Section 6: AS 43.23.065(a) mandates that 50 percent of an individual's annual PFD is exempt from levy, execution, garnishment, attachment, or any other remedy for the collection of debt except for claims stipulated in AS 43.23.065(b). Currently, AS 43.23.065(b) disallows the 50 percent exemption for four types of claims. Substitute Sponsor for HB 13 would add a fifth, a debt owed by a prisoner for medical expenses incurred while the prisoner was incarcerated. AS 43.23.065(c) stipulates that the claims listed in (b) have priority in the order they are listed; therefore, if Sponsor Substitute for HB 13 were to become law, the state could attach a prisoner's PFD check for medical expenses only after each of the other four types of claims was satisfied.

STATE OF ALASKA
THE LEGISLATURE

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May, 1988

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS database CMPR. In order to save space copies of minutes have not been left in the files.

Mary Van Nimwegen

H HESS

3-10-87

8:30 a.m.