

HB

484

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

REPORTED OUT
MAY 04 2004
SENATE FINANCE
COMMITTEE

DATE: 04/22/04

FURTHER:

DATE TURNED IN TO OFFICE: 4 May 2004

Finance Committee considered CS FOR HOUSE BILL NO. 484(JUD) am

HB 484 CORRECTIONS: FEES/SURCHARGE

"An Act imposing a correctional facility surcharge on persons convicted of a crime under state law and on persons whose probation is revoked; relating to fees and expenses for interstate transfer of probation or parole; and providing for an effective date."

and recommends:

- be replaced with _____ CS _____ (_____)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to _____ Committee

Senate Bill:
 Same Title
 New Title

House Bill:
 Same Title
 Technical Title Change
 New Title w/ SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero.	FN#

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#
Law	2/3/04	46.5			#1
Court	7/13/04			✓	#2
Corrections	1/2/04	✓		✓	#3

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	Do PASS	Do NOT PASS	No REC	AMEND
<i>[Signature]</i>	✓			
<i>[Signature]</i>			✓	
<i>[Signature]</i>			✓	
<i>[Signature]</i>				
COCHAIR: <i>[Signature]</i>	✓			
COCHAIR: <i>[Signature]</i>				

FISCAL NOTE

REPORTED OUT
 MAY 04 2004
 SENATE FINANCE
 COMMITTEE

STATE OF ALASKA
 2004 LEGISLATIVE SESSION

Fiscal Note Number: 3
 Bill Version: CSHB 484(JUD)
 (H) Publish Date: 4/14/04

Revision Date/Time (Note if correction): _____ Dept. Affected: Corrections
 Title: "An Act imposing a correctional facility surcharge RDU: Administration & Operations
...relating fees for interstate transfer of probation or parole..." Component: Office of the Commissioner
 Sponsor: Rules Committee
 Requester: Governor Component No. 694

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0
Travel	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	0.0	0.0	0.0	0.0	0.0	0.0
Supplies	0.0	0.0	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGE IN REVENUES (1005 GF/PR)	9.8	9.8	9.8	9.8	9.8	9.8
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FUND SOURCE (Thousands of Dollars)

*002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1037 GF/Mental Health	0.0	0.0	0.0	0.0	0.0	0.0
Other (Specify Type--Do not abbreviate)	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2004) cost: 0.0
 Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

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)

Totals are based on an estimated annual 98 probationers and paroles applying for and obtaining a transfer of supervision to another state.

Prepared by: Jerry D. Brunett, Director Phone (907) 465-3339
 Division: Administrative Services Date/Time 4/12/04 9:59 AM
 Approved by: Portia C.K. Parker, Deputy Commissioner Date 4/12/2004
 Agency: Department of Corrections

FISCAL NOTE

REPORTED OUT
MAY 04 2004
SENATE FINANCE
COMMITTEE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 2
 Bill Version: CSHB 484(JUD)
 (H) Publish Date: 4/14/04

Revision Date/Time (Note if correction): _____ Dept. Affected: _____
 Title Corrections: Fees/Surcharge BRU Alaska Court System
 Component Trial Courts
 Sponsor House Rules
 Requester Governor Component No. _____

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

FUND SOURCE	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type-Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2004) cost: 0.0
 Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)
 The Alaska Court System does not anticipate any fiscal impact from the passage of HB 484.

Prepared by: Doug Wooliver Administrative Attorney Phone 463-4750
 Division: Alaska Court System Date/Time 4/13/04 10:52 AM
 Approved by: Stephanic Cole Administrative Director by Doug Wooliver Date 4/13/2004
 Agency: Alaska Court System

FISCAL NOTE

REPORTED OUT
MAY 04 2004
SENATE FINANCE
COMMITTEE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: HB 484
(H) Publish Date: 2/16/04

Revision Date/Time (Note if correction): _____ Dept. Affected: LAW
Title "An Act imposing a correctional facility surcharge....." RDU Criminal
Sponsor Rules Component Collections and Support
Requester Governor Component No. _____

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services	40.0	40.0	40.0	40.0	40.0	40.0
Travel	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	4.0	4.0	4.0	4.0	4.0	4.0
Supplies	1.0	1.0	1.0	1.0	1.0	1.0
Equipment	1.5	1.5	1.5	1.5	1.5	1.5
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	46.5	46.5	46.5	46.5	46.5	46.5

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()	200.5	449.5	657.3	719.3	740.4	767.4
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	46.5	46.5	46.5	46.5	46.5	46.5
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	46.5	46.5	46.5	46.5	46.5	46.5

Estimate of any current year (FY2004) cost: 0.0
 Check this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill amends AS 12.55 by adding a requirement that a defendant who pleads guilty or nolo contendere to, or is convicted of a crime under state law shall pay a correctional facility surcharge if the defendant is incarcerated in connection with the crime. The surcharge imposed by the court shall be \$100 if the judgment includes a felony sentence; and \$50 if not. The bill also includes a provision for a surcharge if the defendant is placed on probation. It includes a provision for a fee in the event a person on probation or parole applies for transfer of supervision to another state, and it includes a requirement for a bond or cash deposit to be forfeited in the event the state is required to assist in the applicant's return to the state for continued supervision.

Passage of this legislation will have a fiscal impact on the Department of Law if the Court System

Prepared by: Kathryn Daughhete, Director Phone 465-3673
 Division: Administrative Services Division Date/Time 2/3/04 7:55 AM
 Approved by: Kathryn Daughhete for Gregg D. Renkes, Attorney General Date 2/3/2004
 Agency: Department of Law

FISCAL NOTE #1

STATE OF ALASKA
2004 LEGISLATIVE SESSION

BILL NO. HB 484

ANALYSIS CONTINUATION

begins to transfer the responsibility to collect surcharges - both those that are proposed in this legislation, and those that currently exist in AS 12.55.039 - to the Collections Unit. At this time, the data base and system that is used in the collections effort is at full capacity and cannot be reprogrammed to handle different types of obligations. Thus the basis for this fiscal note is the assumption that the new surcharges will be commingled with the cost of incarceration amounts the Department of Law currently collects and transfers to the Department of Corrections.

The collections unit collects unsecured debts owed to the state. The majority of these debts are criminal judgments (fines, judgments for the cost of appointed counsel, judgments for the cost of incarceration on DUI charges, and court and collection costs in minor offense cases). The collections unit also collects civil judgments, including attorney fee awards, on behalf of the State and civil penalties issued by agencies such as OSHA and APOC. Effective January 1, 2002, the collections unit expanded its work to include the collection of restitution on behalf of victims in criminal and juvenile delinquency proceedings. Passage of the victim restitution legislation with a reduced fiscal note has challenged the unit to resolve system capacity issues. A rebuilt, expandable database that could handle additional types of collection items as well as those already under collection is planned for, but because the plan entails no new financial or human resources, the timeline for completion is uncertain. A second significant issue is the implementation of the Court System's new management information system which will begin to allow the Courts to transfer uncollected surcharges to the Department of Law at a yet uncertain point in the future. Up until now, the Court System has not transferred responsibility to collect any surcharges to the unit.

In the event this legislation passes and the court system begins sending these debts to the collections unit, an additional Administrative Clerk would be needed to deal with the added workload, since at this juncture we are still manually entering judgments into our computerized database.

Any additional revenues that will be generated through passage of this legislation are uncertain, however we have estimated as follows:

Number of Felony Convictions resulting in Jail Time - $2,000 \times \$100 = \$200,000$

Number of Probation Revokes - $2,000 \times \$100 = \$200,000$

Number of Misdemeanor Convictions resulting in jail time - $18,000 \times \$50 = \$900,000$

Total surcharges imposed through this legislation would thereby reach \$1,300,000 annually. We have used collection statistics based on years of actual experience collecting fines and other types of debts to the state to come up with the numbers shown as annual anticipated revenues. In the first year, our historical collection rate has been 18.23%. In the second year it has been 19.32%, in the third year it has been 15.38%. Then it drops to 2.84%, 1.4%, and 2.2% in years four through six. However in the first year we anticipate no new revenues from felony probation revocations because such revocations will apply to felonies committed before the effective date of the legislation. Revenue collections quickly climb in the 2nd through 4th year, and then begin to level off where presumably they will hover around \$750,000 per year provided no major swings in the amount of the permanent fund dividend or changes to the laws that govern the garnishment order for certain debts to the state, and no new laws that would require collection of new types of debt that may supersede a criminal judgment.

In terms of new revenues, it is important to note that because the Department of Law does not presently have the capability to track a new type of debt, it will not be possible to distinguish between cost of incarceration charges and the surcharges proposed in this legislation. Whatever positive effects the general fund may see as a result of the surcharges will be in the form of revenues in excess of fee supported services authority in the Department of Corrections operating budget.

STATE OF ALASKA

FRANK H. MURKOWSKI, GOVERNOR


DEPARTMENT OF CORRECTIONS

Office of the Commissioner

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TO: Senator Gary Wilken, Co-Chairman
Senate Finance Committee

Senator Lyda Green, Co-Chairman
Senate Finance Committee

FROM: Commissioner Marc Antrim 
Department of Corrections

DATE: April 27, 2004

RE: Senate Finance Committee Hearing Request for HB484, An Act Relating to
Corrections Fees/Surcharges

At the convenience of the Chairmen, I respectfully request that the Senate Finance Committee schedule a hearing to discuss HB484, An Act Relating to Corrections Fees/Surcharges.

SB336, Senate companion legislation to HB484 was considered by the Senate Finance Committee on April 8, 2004 and was moved from the Senate Finance Committee with four "Do Pass" recommendations. Apparently, one positive fiscal note (from Corrections) and one zero fiscal note (from the Court System) did not reach the Committee in time to accompany SB336 when it moved out of committee, and therefore HB484 requires a hearing in the Senate Finance Committee.

Thank you for your consideration of this hearing request. Please contact me or Portia Parker at 465-4652 if you have any questions or would like supplemental information about HB484.

CS for HOUSE BILL 484(JUD) am

Sectional Summary

Section 1 would impose a correctional facility surcharge on a person who is convicted of a crime, if the person was arrested and taken to a correctional facility or sentenced to a term of imprisonment as a result of the conviction. The amount of the surcharge depends on the seriousness of the crime: \$100 for a felony, and \$50 for a misdemeanor. One surcharge would be imposed for one judgment, even though a person may be convicted of more than one crime in a single judgment.

Section 1 also imposes an additional correctional facility surcharge on a defendant placed on probation, to be collected only if the defendant's probation is revoked and the person is arrested and taken to a correctional facility or sentenced to prison for the violation. This surcharge is \$100.

Section 2 requires a person under parole or probation supervision in the state, who applies for a transfer of supervision to another state under the Interstate Compact for Adult Offender Supervision, to pay a \$100 nonrefundable application fee. Alaska is one of the few states that currently does not charge an application fee.

Sections 3 and 4 include applicability and effective date provisions.

Prepared by the Department of Corrections

HB484



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STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 13, 2004

The Honorable Pete Kott
Speaker of the House
Alaska State Legislature
State Capitol, Room 208
Juneau, AK 99801-1182

Dear Speaker Kott:

Under the authority of article III, section 18, of the Alaska Constitution, I am transmitting a bill that would impose a surcharge on persons convicted of an offense and on persons whose probation is revoked. The bill also would require a person under state probation or parole supervision to pay an application fee for a requested transfer of that supervision to another state.

Alaska has an urgent need to mitigate the cost of its correctional facilities. The bill imposes a surcharge on a person who pleads guilty or nolo contendere to, or is convicted of, a crime if the person was arrested and taken to a correctional facility or is sentenced to a term of imprisonment. The amount of the surcharge depends on the seriousness of the crime: \$100 for a felony and \$50 for a misdemeanor.

The bill also would impose a surcharge on a person placed on probation after conviction of a crime. The surcharge is collected only if the defendant's probation is revoked for a probation violation and the person was either arrested and taken to a correctional facility for the violation, or sentenced to prison for it.

Alaska participates in the Interstate Compact for Adult Offender Supervision (Compact), which regulates the transfer of supervision for persons under state probation and parole. The bill would establish an application fee for persons under active probation or parole supervision who request an interstate transfer of supervision under the Compact. According to the Department of Corrections, the great majority of other states already impose a fee for similar services. The bill also would require the applicant to post a bond or deposit cash, which would be forfeited if the state must escort the person back to Alaska for confined supervision.

I urge your prompt and favorable consideration of this proposal.

Sincerely yours,

Frank H. Murkowski
Governor

Enclosure