

**HB**

**131**

SFIN

FILE

# SENATE FINANCE COMMITTEE REPORT

REPORTED OUT  
 MAY 2 2005  
 SENATE FINANCE  
 COMMITTEE

DATE: 4/21/05

FURTHER:

 DATE TURNED  
 IN TO OFFICE: 2 May 2005

Finance Committee considered

HOUSE BILL NO. 131

## HB 131 ACCESS DEVICE & I.D. DOCUMENT CRIMES

"An Act increasing the criminal classification of theft of an access device and of obtaining an access device or identification documents by fraudulent means; increasing the criminal classification for certain cases of fraudulent use of an access device; 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

**CS Senate Bill:**

- Same Title
- New Title

**SCS House Bill:**

- Same Title
- Technical Title Change
- New Title w/ SCR # \_\_\_\_\_

**NEW FISCAL NOTE(S):**

Department	Date	Fiscal	Incl.	Zero	FN#

**PREVIOUS FISCAL NOTE(S):**

Department	Date	Fiscal	Incl.	Zero	FN#
Corrections	2/25/05			✓	#1
Law	2/22/05			✓	#2
DPS	2/22/05			✓	#3
Admin	2/22/05		*		#4

 APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<i>[Signature]</i>	✓		✓	
<i>[Signature]</i>				
<i>[Signature]</i>			✓	
COCHAIR: <i>[Signature]</i>	X			
COCHAIR: <i>[Signature]</i>	✓			

MAY 2 2005

SENATE FINANCE  
COMMITTEE

# FISCAL NOTE

STATE OF ALASKA  
2005 LEGISLATIVE SESSION

Fiscal Note Number: 1  
Bill Version: HB 131  
(H) Publish Date: 3/21/05

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Corrections  
Title: "An act increasing the criminal classification of theft of an access device and of obtaining an access device..." RDU: Institutional Facilities  
Sponsor: Representatives Stoltze, McGuire Component: Institution Director's Office  
Requester: Judiciary, Finance Component No.: 524

**Expenditures/Revenues** (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
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
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>CAPITAL EXPENDITURES</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>CHANGE IN REVENUES ( )</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**FUND SOURCE** (Thousands of Dollars)

1002 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
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2005) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2006 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)

Due to the estimated small number of successful prosecutions that may occur as a result of the changes contained in the legislation, the department does not anticipate a significant fiscal impact to the Department of Corrections

Prepared by: Sharleen Griffin, Acting Director  
Division: Administrative Services  
Approved by: Portia C K Parker, Deputy Commissioner  
Agency: Department of Corrections

Phone: 465-4641  
Date/Time: 2/25/05 10:26 AM  
Date: 2/25/2005

**COMMITTEE COPY**

MAY 2 2005

SENATE FINANCE  
COMMITTEE

# FISCAL NOTE

STATE OF ALASKA  
2005 LEGISLATIVE SESSION

Fiscal Note Number: 2  
Bill Version: HB 131  
(H) Publish Date: 3/21/05

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: LAW  
Title "An Act increasing the criminal classification RDU CRIMINAL  
of theft of an access device and of obtaining an access... Component CDCO  
Sponsor Representative Stolze  
Requester House Judiciary Component No. \_\_\_\_\_

**Expenditures/Revenues** (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2005) cost: 00

Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

This bill amends sections of AS 11.46, and would protect citizens, businesses, and financial institutions by increasing the penalty for certain types of identity theft and fraud crimes. The bill would increase the penalty from a class A misdemeanor to a class C felony for (1) theft of an access device, such as a credit card or bank account number, (2) the crime of fraudulent use of an access device if the value of the property or services obtained is \$50 or more, and (3) the crime of obtaining an access device or identification document by fraudulent means. The Department of Law does not anticipate a fiscal impact from passage of this legislation.

Prepared by: Kathryn Daughheteo, Director  
Division: Administrative Services  
Approved by: K. Daughheteo for Scott Nordstrand, Acting Attorney General  
Agency: Department of Law

Phone: 465-5427  
Date/Time: 2/22/05 4:21 PM  
Date: 2/22/2005

**COMMITTEE COPY**



# FISCAL NOTE

REPORTED OUT

MAY 2 2005

SENATE FINANCE  
COMMITTEE

STATE OF ALASKA  
2005 LEGISLATIVE SESSION

Fiscal Note Number: 4  
 Bill Version: HB 131  
 (H) Publish Date: 3/21/05

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Administration  
 Title An act increasing criminal class. for RDU Legal and Advocacy Services  
access device crimes... Component Public Defender Agency  
 Sponsor Reps. Stoltze, McGuire  
 Requester House Judiciary Component No. 1631

**Expenditures/Revenues** (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services	*	*	*	*	*	*
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	*	*	*	*	*	*
<b>CAPITAL EXPENDITURES</b>						
<b>CHANGE IN REVENUES ( )</b>						

**FUND SOURCE** (Thousands of Dollars)

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

Estimate of any current year (FY2005) cost: 00  
 Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

This bill seeks to amend several offenses related to access devices, like credit cards and bank account numbers, and ID documents to raise the penalty from a misdemeanor to a felony for the theft of, fraudulent use of, and for fraudulently obtaining an access device or ID document. This increase in penalties will increase the workload of the Agency. It is far more costly to defend a person charged with a felony than a misdemeanor. Some of these offenses are currently prosecutable by municipalities as misdemeanors, and if they become felonies, they will be prosecuted by the state resulting in more public defender appointments. It is not possible to predict how many current PD-appointed cases will be affected or new cases appointed, therefore an indeterminate fiscal note is submitted.

Prepared by: Linda K. Wilson, Deputy Director Phone (907)334-4416  
 Division: Public Defender Agency Date/Time 2/22/05 9:54 AM  
 Approved by: Michael Tibbles, Deputy Commissioner Date 2/22/2005  
 Agency: Department of Administration

COMMITTEE COPY

# ALASKA STATE LEGISLATURE

**Vice Chair:**  
House Finance Committee

**Chair:**  
House Finance Subcommittees for,  
Department of Public Safety  
Department of Law



**Session:**  
Alaska State Capitol  
Juneau, AK 99801-1182  
Phone: (907) 465-4958  
Fax: (907) 465-4928

**Interim:**  
PO Box 464  
Chugiak, AK 99567

## REPRESENTATIVE BILL STOLTZE

Representative\_Bill\_Stoltze@legis.state.ak.us

### House Bill 131

#### Access Device & I.D. Document Crimes

*"An Act increasing the criminal classification of theft of an access device and of obtaining an access device or identification documents by fraudulent means; increasing the criminal classification for certain cases of fraudulent use of an access device; and providing for an effective date."*

Identity theft is on the increase in Alaska and our country as a whole. The Federal Trade Commission (FTC) reported that identity theft was up 33 percent in 2003. The State of Alaska ranks second in the number of complaints per 100,000 people.

These types of theft average \$500; however, this does not take into consideration the countless hours a victim may spend tracking down and stopping the imposter, as well as time and legal costs to repair credit ratings and fight collection efforts. These changes would bring the penalties for such crimes closer in line with federal criminal laws, which provide for as much as 15 years in prison for similar crimes.

The provisions of HB 131:

- Increase the penalty from a class A misdemeanor to a class C felony for:
  1. Theft of an access device, such as a credit card or bank account number.
  2. The crime of fraudulent use of an access device if the value of the property or services obtained is \$50 or more.
  3. The crime of obtaining an access device or identification document by fraudulent means.

I ask for your consideration and support of HB 131 to take a step towards meaningful deterrence and punishment for such crimes, which can impact all Alaskans.

DISTRICT 16

BIRCHWOOD • BUTTE • CHUGIAK • EKLUTNA • FAIRVIEW LOOP  
KNIK RIVER ROAD • LAZY MOUNTAIN • PALMER • PETERS CREEK

# STATE OF ALASKA

## DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

Frank H. Murkowski, Governor

Commercial and Fair Business Section  
P.O. BOX 110300  
123 4<sup>TH</sup> ST., DIMOND COURT HOUSE  
JUNEAU, ALASKA 99811-0300  
PHONE: (907)465-3600  
FAX: (907)465-2539

March 1, 2005

### Sectional Analysis of HB 131 (ID Theft)

*(Prepared by the Department of Law, March 1, 2005)*

HB 131 would increase the criminal classification of theft of an access device, of fraudulent use of an access device, and for fraudulently obtaining an access device or identification document.

Section 1 classifies theft of an access device as theft in the second degree, a class C felony.

Section 2 is a conforming amendment that deletes a statutory reference to the provision repealed in sec. 5 of the bill.

Section 3 raises fraudulent use of an access device to a class C felony from a class A misdemeanor when the value of the property or services obtained is between \$50 and \$25,000; it raises fraudulent use of an access device to a class A misdemeanor when the value of property or services obtained is less than \$50.

Section 4 raises fraudulently obtaining an access device or identification document to a class C felony from a class A misdemeanor.

Section 5 repeals the statutory provision classifying theft of an access device as theft in the third degree.

Section 6 would make the bill applicable to offenses occurring on or after the effective date.

Section 7 sets out an effective date of July 1, 2005.

STATE OFFICE  
**ALASKA PEACE OFFICERS ASSOCIATION**

P.O. Box 240106 Anchorage, Alaska 99524-0106 Phone (907) 277-0515 Fax (907) 272-5355



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Joseph Young  
Anchorage

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Ketchikan  
Pres. First City Chapter

Matt Betzen, Member  
Unalaska  
Pres. Aleutian Islands Chapter

Thecla LaLonde, Member  
Wrangell  
Pres. Wrangell Chapter

March 18, 2005

Representative Bill Stoltze  
House of Representatives  
State Capitol  
Juneau AK 99801-1182

Dear Representative Stoltze:

On behalf of the Alaska Peace Officers Association (APOA), I would like to thank you for introducing House Bill 131, relating to access devices and identity theft.

The APOA Legislative Committee recently reviewed this proposed legislation and decided to unanimously support this bill.

This legislation increases the penalties for fraudulent use of an access device and identity theft. These crimes are only increasing with expanded use of the Internet as a tool of commerce. The damage done to victims of these types of crimes can take months and even years to recover from and, in some cases, is irreparable. This bill is a step in the right direction in addressing these types of crimes.

Thank you for addressing this issue. Please contact the APOA office in Anchorage at (907) 277-0515 if there is anything our organization can do to assist in the passage of this bill.

Sincerely,

Angella Long  
State President

THE  
FOLLOWING  
DOCUMENT(S)  
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POOR  
ORIGINAL  
COPIES



April 20, 2005

The Honorable Ralph Seekins, Chair  
Senate Judiciary Committee  
Alaska State Capitol, Room 125  
Juneau, Alaska 99801-1182

RE: HB 131 (Stoltze)--Support

Dear Chair Seekins:

On behalf of the AARP members in Alaska, we ask that you and your colleagues on the Senate Judiciary Committee support HB 131, authored by Representative Bill Stoltze and co-sponsored by Representatives McGuire, Kelly, Meyer and Foster.

The intent of HB 131 is to increase the penalties for some crimes associated with identity theft, including credit cards and bank accounts fraudulently accessed. Although violent crime receives the most media attention, fraud and identity theft are becoming increasingly more serious and more prevalent and older people are often the targets. The loss of even modest amounts of money may be devastating to a retired victim living on a low, fixed income.

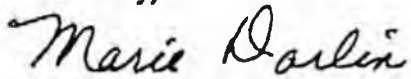
In surveys of AARP members, they report that identity theft is one of their major concerns. As with any crime, we cannot completely control being victimized. However, HB 131 does increase the penalties for criminals who commit these crimes.

AARP urges an "AYE" vote on HB 131.

Should you have any questions about our position, please feel free to contact me or Patrick Luby (907-762-3314), AARP Alaska Advocacy Director.

Thank you for your consideration.

Sincerely,



Marie Darlin, Coordinator  
Capital City Task Force  
415 Willoughby Avenue, Apt. 506  
Juneau, AK 99801  
586-3637 (voice)  
463-3580 (fax)

CC: Vice-Chair Charlie Huggins  
Senator Gene Therriault  
Senator Hollis French  
Senator Gretchen Guess  
Representative Bill Stoltze

# SENATE COMMITTEE REPORT

DATE: 4/14/05

FURTHER: Finance

DATE TURNED  
IN TO OFFICE: 4/21/05

Judiciary Committee considered      HOUSE BILL NO. 131

## HB 131 ACCESS DEVICE & I.D. DOCUMENT CRIMES

"An Act increasing the criminal classification of theft of an access device and of obtaining an access device or identification documents by fraudulent means; increasing the criminal classification for certain cases of fraudulent use of an access device; 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

**CS Senate Bill:**  
 Same Title  
 New Title

**SCS 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#
COR	2/25/05			✓	1
LAW	4/22/05			✓	2
DPS	2/28/05			✓	3
ADM	2/22/05		✓		4

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	Do PASS	Do NOT PASS	NO REC	AMEND
French			X	
Huggins	X			
Guess			X	
CHAIR: Seekins	✓			