

Leg. Finance-House & Senate Finance Comte Files (1991-1992) 892

STATE OF ALASKA

DEPARTMENT OF ADMINISTRATION

OFFICE OF THE COMMISSIONER

WALTER J. HICKEL, GOVERNOR

P.O. BOX 110200
JUNEAU, ALASKA 99811-0200
PHONE: (907) 465-2200
FAX: (907) 465-2135

March 18, 1992

The Honorable Jim Duncan
Alaska State Senator
State Capitol
Juneau, AK 99801-1182

Dear Senator Duncan:


I understand a question has been raised as to how a provision of SB 337 would affect employees who have had a break in service due to a period of layoff. The issue arises apparently in connection with the eligibility requirement that to participate in the RIP an employee must have been continuously employed by the State since November 1, 1991.

In reviewing the matter, I find that State policy provides that an employee who is laid off is put on "leave without pay" (LWOP) status, rather than actually being terminated. For this reason, an employee who is placed on LWOP would still be considered to be employed by the State for RIP purposes, regardless of when they were placed on LWOP.

In short, an employee who had been laid off and placed on leave without pay status would still be eligible for participation in the Retirement Incentive Program. This interpretation is consistent with that applied in the prior two RIP programs.

If additional information or clarification is needed, please let me know.

Sincerely,


Nancy Bear Busera
Commissioner

NBU/nl

cc: Paul Fuhs
Legislative Liaison
Office of the Governor

Gary Bader
Director
Division of Retirement and Benefits
Department of Administration

ASSOCIATION OF ALASKA SCHOOL BOARDS

316 West 11th Street, Juneau, Alaska 99801-1510 • Tel. (907) 586-1083 • Fax (907) 586-2995

Advocates for Alaska's Youth



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EX OFFICIO DIRECTOR

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Delta-Greely

EXECUTIVE

DIRECTOR

Carl F.N. Rose

SB 337 **Early retirement program**

AASB Position

The Association of Alaska School Boards (AASB) supports SB 337, "An Act relating to Retirement Incentive Program (RIP)" with the local option for school districts to determine if participation in the program is desirable and beneficial.

Diversity and the local option to participate

Individual school districts are unique entities that reflect the desires and needs of their local communities. As such, the programs and services that receive priority in one district may not reflect the desires of a neighboring district.

The ability of a school district to weigh the short term benefit of the proposed retirement incentive program against its long term goals is critical when addressing the program needs of students and the fiscal uncertainties that all Alaska school districts face.

SB 337 with the local option will provide school districts the opportunity to review its present personnel costs and determine if economies will create a positive financial and programmatic impact.

AASB urges your favorable support for SB 337.

2/92



ALASKA ASSOCIATION OF ELEMENTARY SCHOOL PRINCIPALS
ALASKA ASSOCIATION OF SECONDARY SCHOOL PRINCIPALS
ALASKA ASSOCIATION OF SCHOOL ADMINISTRATORS

• ALASKA COUNCIL OF SCHOOL ADMINISTRATORS •
326 Fourth St., Suite 408, Juneau, AK 99801-1101 (907) 586-9702 FAX (907) 586-5879

Position Statement

Senate Bill No. 337

The Alaska Council of School Administrators is in support of Senate Bill No. 337, "Relating to retirement incentive programs for the public employees'.

Because of the continued concerns for budget reductions, the state's long term revenue outlook, and the success of previous incentive programs, we feel the implementation of a retirement incentive program would again provide the necessary stimulus for those eligible to retire under this program to do so. And in the long term, it would produce a significant savings to the state and local school districts.



Alaska Public
Employees Association **APEA**

State Headquarters: 340 N. Franklin, Juneau, AK 99801 (907) 586-2334

FEDERATION OF PUBLIC EMPLOYEES/AFT/AFL-CIO

January 27, 1992

Senator Jim Duncan
P.O. Box 020690
Juneau, AK 99802

Re: Retirement Incentive Program, SB 337

Dear Senator Duncan:

This is to reiterate our support for your bill implementing a Retirement Incentive Program for employees of the State, political subdivisions and school districts. We believe that the program is a sensible and humane method of cutting jobs and saving money. Past programs have proven effective and, given the economic and political climate, we have no reason to believe this won't be either. It is a win-win situation for the public employer and the State.

Thank you for introducing and supporting this legislation. APEA/AFT fully supports it.

Very truly yours,


Bruce I. Ludwig
Business Manager

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825 Coliege Road
Fairbanks, AK 99701
Telephone: (907) 456-5412

Anchorage Field Office
833 Gambell Street, Suite A
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86-87

RETIREMENT INCENTIVE PROGRAM
 STATUS REPORT
 February 27, 1989

Employer	Eligible By Age/Svc	Designated By Empl.	Retired
Governor's Office	30	5	5
Administration	229	174	101
Law	41	18	11
Revenue	55	29	23
Education - PERS	72	71	28
Education - TRS	38	36	19
Health & Social Svc.	335	304	150
Labor	147	138	54
Commerce	88	55	28
Military Affairs	29	6	4
Natural Resources	160	139	65
Fish & Game	160	143	78
Public Safety	193	182	101
Environmental Consv.	36	34	12
Corrections	154	139	38
Comm. & Regional Aff.	21	18	7
Transportation	854	809	355
Ombudsman	1	0	0
Legislative Affairs	53	20	13
Legislative Finance	2	0	0
Legislative Audit	5	3	3
Court System	98	0	0
Total State PERS	2762	2287	1076
Total State TRS	38	36	19
University of Ak - PERS	325	319	107
University of Ak - TRS	372	349	95
Geophysical Inst - PERS	27	27	7
Geophysical Inst - TRS	38	35	8
Total University - PERS	352	346	114
Total University - TRS	410	384	103
Total Poly - Subs PERS	2661	1272	412
Total Schl Dists TRS	1773	1668	603
Grand Total PERS	5775	3905	1602
Grand Total TRS	2221	2088	725
Overall Total	7996	5993	2327

DIVISION OF RETIREMENT AND BENEFITS
 RETIREMENT INCENTIVE PROGRAM (RIP)
 SUMMARY RESULTS OF POLITICAL SUBDIVISION SURVEY
 March 14, 1989

EMPLOYER	NUMBER RETIREED	POS. REFILLED	COST OF POSITIONS FOR 5 YRS (\$1000's)	COST TO RE- FILL POS. (over 5 yrs (\$1000's)	RIP COST (\$1000's)	SAVINGS O (COST) FOR 5 YRS (\$1000's)
S.E. Resource center	3	0	800.0	0.0	83.0	717.
Unalaska City School District	1	1	322.5	165.8	34.1	122.
Copper River School District	11	10	2,854.7	1,904.9	279.3	670.
Galena City School District	1	1	264.6	198.0	60.0	6.
Petersburg Public Schools	2	2	437.5	338.6	55.1	43.
Yukon Koyukuk School District	5	4	2,006.5	1,414.4	177.0	414.
Alaska Gateway School District	4	4	1,055.5	745.0	180.8	129.
Bristol Bay School District	1	1	273.8	186.7	50.3	36.
Kodiak Island School District	17	16	4,487.7	3,380.0	579.9	527.8
Delta/Greely School District	2	2	700.9	644.0	96.4	(- 39.6)
Yukon Flats School District	5	4	Not Provided	Not Provided	128.5	Not Provided
L. Kuskokwim School District	31	26	7,535.6	4,637.6	677.2	2,220.
North Slope School District	28	23	7,643.0	5,600.5	727.0	1,315.
Dillingham City Schools	6	2	1,231.7	180.0	277.8	773.
Craig City School District	1	1	277.2	210.1	21.8	45.

RETIREMENT INCENTIVE PROGRAM (RIP)
SUMMARY RESULTS OF POLITICAL SUBDIVISION SURVEY
PAGE 2

EMPLOYER	NUMBER RETIRED	POS. REFILLED	COST OF POSITIONS FOR 5 YRS (\$1000's)	COST TO RE- FILL POS. (over 5 yrs) (\$1000's)	RIP COST (\$1000's)	SAVINGS or (COST) FOR 5 YRS (\$1000's)
Wrangell Public School	2	2	455.5	330.6	43.7	81.2
Valdez City Schcols	10	3	2,519.1	604.4	284.4	1,630.3
Adak Region School District	3	3	817.1	611.6	111.4	94.1
Fairbanks School District	71	71	17,998.0	13,592.1	1,826.8	2,579.1
Haines School District	5	1	1,529.6	384.8	131.3	1,013.5
Cordova Public Schools	1	1	185.3	112.4	19.3	53.6
Juneau School District	42	40	3,750.0	1,449.0	1,010.6	1,290.4
Lake and Penin. School District	2	2	675.0	600.0	53.6	21.4
Kenai Pen. School District	67	67	16,285.6	11,767.7	1,586.3	2,931.6
Southwest Regional School	4	4	666.5	527.7	91.0	47.8
Anchorage School District	373	368	81,249.1	59,225.1	8,580.7	13,473.2
Nenana City School District	7	7	1,611.1	1,209.2	173.7	228.2
Northwest Arct Bor Sch Dist	31	30	5,562.6	4,046.3	763.2	753.0
					TOTAL SAVINGS	31,182.6

Schools

RETIREMENT INCENTIVE PROGRAM (RIP)
 SUMMARY RESULTS OF POLITICAL SUBDIVISION SURVEY
 PAGE 3

EMPLOYER	NUMBER RETIRED	POS. REFILLED	COST OF POSITIONS FOR 5 YRS (\$1000's)	COST TO RE- FILL POS. (over 5 yrs (\$1000's)	RIP COST (\$1000's)	SAVINGS or (COST) FOR 5 YRS (\$1000's)
City of Skagway	1	1	18.8	Not Provided	Not Provided	0.0
City of Wrangell	1	0	220.0	0.0	33.5	186.5
City of Palmer	4	3	1,024.1	715.3	101.0	207.8
City of Soldotna	2	1	482.8	212.7	47.8	222.3
City of Ketchikan	11	8	4,093.0	2,358.6	519.5	1,214.9
Kenai Peninsula Borough	14	7	3,234.0	2,270.4	324.2	639.4
City/Borough Juneau	13	9	3,574.1	2,134.8	298.9	1,140.4
City of Valdez	7	4	2,676.3	1,241.1	289.6	1,145.6
TOTAL SAVINGS						4,756.8
University PERS	113	76	26,052.1	15,308.0	2,455.3	8,288.8
University TRS	103	70	39,972.6	22,792.7	3,163.3	14,016.6
TOTAL SAVINGS						22,305.4

SB338

HOUSE COMMITTEE REPORT

(11)

Date Referred: May 7, 1992

FURTHER REFERRALS:

Date of Committee Action: 5/9/92

The FINANCE Committee considered:

CSSB 338(FIN)

CS FOR SENATE BILL NO. 338 (FIN)

PERS CREDITED SERVICE FOR TEMP SERVICE

"An Act relating to credited service that vested members of the public employees' retirement system receive for temporary service and to credited service for temporary service for the legislature; relating to benefits paid under the territorial public employees' retirement system; and providing for an effective date."

RECOMMENDATIONS:

be replaced with _____ the same title

have attached amendments(s) a new title

do pass

do not pass

no recommendations

individual recommendations

additional referral to the _____ Committee

ADOPTS: _____ letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept) _____

APPROVES PREVIOUS: (Dept/Dir) _____

fiscal impact _____

fiscal note(s) DOA 4/21/92

zero fiscal note _____

zero fiscal note(s) _____

SIGNING <u>DO PASS</u>	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
<i>Eileen Maclean</i> ^{Maclean}	✓	<i>Tamara Barnes</i> ^{Barnes}		X	
<i>Mike Spawne</i> ^{Spawne}	✓	_____		X	
<i>Koponen</i> ^{Koponen}	✓	<i>Phillips</i> ^{Phillips}		✓	
<i>V. Ulmer</i> ^{Ulmer}	X	<i>Shang</i> ^{Shang}		✓	
<i>Mike Boyer</i> ^{Boyer}	✓	<i>Ronald J. Lee</i>		X	
<i>Taylor Brown</i> ^{Brown}	✓				

Mike Spawne *Eileen Maclean*
CHAIRMAN'S SIGNATURE

FISCAL NOTE

Bill Version: CSSR 338 (FIN)

) Publish Date: 4-21-92

STATE OF ALASKA
1992 LEGISLATIVE SESSION

Revision Date: April 16, 1992
Title: An act relating to credited service that PERS members receive for temporary service.
Sponsor: Duncan
Requestor: Senate Finance

Department Affected: Administration
BRU: Retirement and Benefits
Component: EPORS
COMPONENT SERIAL NO. 964

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	24	24	24	24	24	24
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	2.4	2.4	2.4	2.4	2.4	2.4

CAPITAL	0	0	0	0	0	0
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REVENUE FUND SOURCE:	0	0	0	0	0	0
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FUNDING: (Thousands of dollars)

GENERAL FUND	24	24	24	24	24	24
FEDERAL FUNDS	0	0	0	0	0	0
OTHER FUND SOURCE	0	0	0	0	0	0
TOTAL	2.4	2.4	2.4	2.4	2.4	2.4

POSITIONS

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

Estimate of current year impact: \$0

ANALYSIS: (attach a separate page if necessary.)

Since the full actuarial cost of this service is to be paid by the member, there is no anticipated cost to the Public Employees' Retirement System employers. \$24 GE is required to provide for the increase to territorial retirees.

Prepared By: Garv Bader
Division: Retirement and Benefits

Phone: 465-4470
Date: April 17, 1992

Approved by Commissioner: Nancy Bear Usery
Agency: Department of Administration

Date: 4/20/92

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB & Impacted Agency(ies).
Rev 11/91

CS FOR SENATE BILL NO. 338 (FINANCE)
 IN THE LEGISLATURE OF THE STATE OF ALASKA
 SEVENTEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered: 4/17/92
 Referred: Rules

Sponsor(s): SENATOR DUNCAN

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to credited service that vested members of the public employees'
 2 retirement system receive for temporary service and to credited service for temporary
 3 service for the legislature; relating to benefits paid under the territorial public employees'
 4 retirement system; and providing for an effective date."

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

6 * Section 1. AS 39.35.345(d) is repealed and reenacted to read:

7 (d) An employee may choose whether the credited service granted under this section is
 8 used to satisfy the credited service requirements for normal retirement or is only used for the
 9 calculation of benefits. An election under this subsection is irrevocable and applies to all
 10 temporary credited service that the employee has accrued when the employee retires.

11 * Sec. 2. AS 39.35.360 is amended by adding a new subsection to read:

12 (l) A member is eligible to receive credited service for service that was rendered as a
 13 temporary employee of the legislature of the state or territory during legislative sessions for
 14 which the member has not received credit under (g) of this section or AS 39.35.345. To receive

1 retroactive credited service under this subsection, a member must claim the service. When the
2 member claims the service, an indebtedness of the member to the system shall be established.
3 The amount of this indebtedness is equal to the full actuarial cost of providing benefits for the
4 credited service claimed. Interest as prescribed by regulation accrues on this indebtedness
5 beginning on the date the service is claimed. Any outstanding indebtedness that exists at the time
6 the member retires will require an actuarial adjustment to the benefits that are based upon
7 credited service claimed under this subsection.

8 * Sec. 3. The benefits payable under sec. 1, ch. 102, SLA 1951, as increased by ch. 85, SLA 1970;
9 ch. 134, SLA 1975; sec. 43, ch. 146, SLA 1980; and sec. 54, ch. 82, SLA 1986, are further increased
10 by \$200 per month for each recipient.

11 * Sec. 4. A member of the public employees' retirement system who has claimed credited service
12 under AS 39.35.345 on or before the effective date of this section may exercise the election established
13 under AS 39.35.345(d), as amended by sec. 1 of this Act, before the member is appointed to retirement.

14 * Sec. 5. Section 3 of this Act takes effect July 1, 1992.

Alaska State Legislature

SENATOR JIM DUNCAN

COMMITTEES:

VICE CHAIR –
FINANCE

VICE CHAIR –
STATE AFFAIRS
RULES

BUDGET & AUDIT
ETHICS REFORM

DATE: May 7, 1992

TO: Representative Eileen MacLean, Co-Chair
Representative Mike Navarre, Co-Chair
House Finance Committee

FROM: Senator Jim Duncan

SUBJECT: Senate Bill 338, an Act relating to credited service that vested members of the public employees' retirement system receive for temporary service, to credited service for temporary service for the legislature; and relating to benefits paid under the territorial public employees' retirement system; and providing for an effective date.

Please schedule a hearing on SB 338 as soon as possible.

Senate Bill 338 will allow employees with unclaimed temporary service time to choose whether to claim their past service for retirement credit for the purposes of calculating benefits only, or towards twenty or thirty and out retirement when appropriate. Presently, such service can only be used towards calculation of benefits, not as years of service credit for normal retirement. The employee will be required to pay the full actuarial cost of the option they choose.

This bill will also allow individuals with service as a temporary legislative employees to claim that service at any time, provided the individual pays the full actuarial cost of the credited service claimed. Present law requires that such service must have been claimed prior to July 1, 1980.

In addition, a cost of living adjustment will be provided to the one remaining beneficiary of territorial retirement benefits.

I urge your support for this legislation.

Attachments

POSITION PAPER
DEPARTMENT OF ADMINISTRATION

Contact: Gary M. Bader

Bill Number: SB 338


Phone #: 465-4470

Bill Title: An act relating to credited service that PERS members can claim for temporary service.

This bill would allow a member to claim temporary service as either "credited" service, which only increases the benefit amount, or "membership" service, which enables the member to reach minimum service requirements for retirement, in addition to increasing the benefit. Under present law, temporary service may only be claimed as credited service.

This bill would enable employees to use temporary service to retire under the "30 and out" and "20 and out" retirement options.

Temporary service is currently recognizable under the retirement system. Since the full actuarial cost of using the temporary service must be borne by the employee, the provisions of this bill will not result in any cost to the retirement system. For these reasons, the department has no objection to the treatment of temporary service proposed by this bill.



Nancy Bear Usera
Commissioner

4-14-92
Date

REPORT OF THE
BLUE RIBBON COMMISSION ON THE
STATE PERSONNEL ACT
TO THE
ALASKA STATE LEGISLATURE
FIRST SESSION

SENATOR BILL RAY
Chairman

JUNEAU, ALASKA
March 27, 1979

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system**

tion of a new program could be avoided if the legislature requested that departments present P402's for all positions created by a new program at the same time that the budget for the program was being considered.

3. Project Employees

It is difficult to plan for permanent positions in programs funded through federal grants whose receipt is not guaranteed from year to year. Program managers are not authorized to fill those positions until after funding is definite. This leads to the employment of temporaries in those positions. An alternative would be to create a new category for project employees. The employees would understand that their employment would be dependent upon continued receipt of funds for the project.

4. Benefits for Temporary Employment

★ Of the benefits provided to permanent employees by the state, temporary employees in the classified service are entitled to receive only holiday pay and unemployment insurance. Temporaries are not eligible for court leave, administrative leave, personal leave, or retirement benefits. Even if a temporary employee is subsequently placed in a permanent position, he or she does not receive retroactive credit towards either retirement or, in most cases, seniority.

Temporary employment does not entitle employees to be placed on promotional registers. The state's merit system provides a policy favoring filling positions by promotions. This would appear in some cases to penalize temporary employees who may have

worked for a substantial period of time for the state.

If temporary employees did, in fact, work only for a short time in one position, then it might be inappropriate for the state to provide leave benefits. Temporaries would then be hired only where there were deadlines that could not otherwise be met, and if they were out on leave, the department would have to pay not only their salary, but also the salary of a second replacement temporary.

Because the state does not have to pay for as many fringe benefits to temporaries as it does for permanent employees, it is cheaper for departments to hire temporaries. Program managers may therefore leave permanent positions vacant and hire temporaries instead so as to be able to increase the staff available to work on a project. For the same reason, departments may use temporary employees instead of permanent seasonal employees for recurrent seasonal needs. Some departments have a substantial number of such employees and would probably need a supplemental appropriation to fund benefits if they made use of the permanent seasonal category.

The Local No. 71 collective bargaining agreement addresses the lack of benefits provided to temporary employees. Members who are working as temporaries receive a wage supplement of \$1.32 per hour for the first 120 days of work in a temporary position. After the 120 days, they shift from the entry level wage step into a higher level wage step, and they continue to receive the supplement.

5. Vacant Permanent Positions

The legislature reviews the number of vacant PCN's when it

February, 1990

M E M O R A N D U M

Re: Increasing Benefits Under the Territorial Public Employees Retirement System

In 1949 the Territorial Legislature of Alaska initiated the first public employees retirement system for employees of the Territorial Government by enactment of Chapter 41, SLA 1949. In its terms were provisions for the compulsory retirement of persons sixty-five years of age or older who had completed at least ten years of service to the Territory.

By Chapter 102, SLA 1951, the original system was repealed in order to establish an alternative that incorporated the federal social security system and other new elements. The repealing act made express provision to pay minimum fixed benefit amounts for life to the long-time officers and employees of the Territory who had already been retired under the 1949 act. Approximately twelve to fifteen persons were in this group, and direct appropriations to honor this commitment have been made in all the succeeding years to the surviving retirees.

The benefit amounts provided by the 1951 act remained fixed for almost twenty years. In 1970 an increase of 25% was made by Chapter 85, SLA 1970. Another increase of \$100 per month for each recipient was made by Chapter 134, SLA 1975, and in addition provision was made for the surviving spouse of each beneficiary under the original act to receive the designated benefit amount for life. A further increase of \$75 per month was voted by the tenth session of the legislature in HCSSB No. 627 to be effective July 1, 1978. However, this bill dealt with many other matters concerning retirement for state employees, and it was vetoed by the governor for reasons wholly unrelated to the benefit to the "oldtimers" under the Territorial System.

In 1980 the benefits were increased another \$100 per month for each recipient under Chapter 146, SLA 1980. And a last increase of \$100 per month was made by Chapter 82, SLA 1986, which became effective June 6, 1986. Accordingly it has been approximately four years since any cost of living increase has been established for the two persons remaining alive who are entitled to these benefits. One of these persons is now age 97, and the other is approximately age 96. Both are living in circumstances of need, having survived on the minimal amounts for nearly forty years. One receives \$470.73 per month and the other \$508.41 at the current benefit levels. It would appear that another increase of \$100 to \$150 per month might now be in order to recognize the increased cost of living in the past four years.

Draft language for a bill to accomplish such an increase, or to be added to any act that might be dealing with retirement of public employees, is appended for information purposes.

February 1990

Notes on Benefit Recipients Under the Territorial Public Employees Retirement System (Chapter 102, SLA 1951, etc.)

deceased 1991
Ronald L. Stewart - Mr. Stewart commenced work for the Territory of Alaska in the early 1920's as an administrative assistant in the office of the Territorial Mine Inspector. He continued in that office until his retirement under the Territorial Public Employees Retirement System in 1951 but worked in Alaska for some additional years for the Alaska Road Commission. For many years he has resided in Astland, Oregon, but is just now in the process of moving back to Alaska to live with a granddaughter in the Kenai area, having recently become a widower for the second time. He is approaching his 96th birthday.

Doris A. Stewart - Mrs. Stewart is the widow of B. D. Stewart, who died in 1976 at the age of 97. They had been married since 1935. B. D. Stewart was the Territorial Mine Inspector for Alaska commencing in 1919 and continued in that office until his compulsory retirement in 1949 under Chap. 41, SLA 1949. (The office was titled Commissioner of Mines after about 1935). He and his widow remained in Alaska until 1966, living at Juneau and Sitka, moving to Sequim, WA, by early 1967. Mrs. Stewart became the recipient under the act by virtue of Chap. 134, SLA 1975. She continues to live independently at Sequim and is now 97 years of age. She has one step-son living in Alaska and several grandchildren and five great-grandchildren who reside in Anchorage and Juneau.

(The two recipients are not related in any way).

PLEASE MICROFILM TOP PAGE ONLY

SB338

SENATE FINANCE COMMITTEE REPORT

DATE: 3/6/92

FURTHER:

DATE TURNED INTO OFFICE: 4-16-92

The Finance Committee considered

SENATE BILL NO. 338

"An Act relating to credited service that vested members of the public employees' retirement system receive for temporary service and to credited service for temporary service for the legislature."

and recommends:

replace with _____ CS SB 338 (FINANCE)
or adopt previous _____ CS _____
 attaches amendment(s)

same title
 new title
 technical title change (HB only)

adopts _____ Letter of Intent

further referral to the _____

do pass

do not pass

no recommendation

individual recommendations

NEW FISCAL NOTES: Dept/Date

zero fiscal notes _____

fiscal notes 2.4 DOA 4-20-92

appropriation--no fiscal note

DO PASS:

PREVIOUS FISCAL NOTES: Dept/Date

zero fiscal notes _____

fiscal notes _____

OTHER RECOMMENDATIONS:

Sybil Hoffman No Rec

Ruth Kelly

1. Paul Samuel Moore

Co-Chair: Signature/Recommendation

2. J. Kitchin No Rec

Co-Chair: Signature/Recommendation

FISCAL NOTE

REPORTED OUT OF
SFC 4-16-92

BILL NO. CSSB 338 (FIN)

STATE OF ALASKA
1992 LEGISLATIVE SESSION

Revision Date: April 16, 1992
Title: An act relating to credited service that PERS members receive for temporary service.
Sponsor: Duncan
Requestor: Senate Finance

Department Affected: Administration
BR: Retirement and Benefits
Component: EPORS
COMPONENT SERIAL NO. 964

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	24	24	24	24	24	24
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	2.4	2.4	2.4	2.4	2.4	2.4

CAPITAL	0	0	0	0	0	0
---------	---	---	---	---	---	---

REVENUE FUND SOURCE:	0	0	0	0	0	0
-------------------------	---	---	---	---	---	---

FUNDING: (Thousands of dollars)

GENERAL FUND	24	24	24	24	24	24
FEDERAL FUNDS	0	0	0	0	0	0
OTHER FUNDSOURCE	0	0	0	0	0	0
TOTAL	2.4	2.4	2.4	2.4	2.4	2.4

POSITIONS

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

Estimate of current year impact: \$0

ANALYSIS: (attach a separate page if necessary.)

Since the full actuarial cost of this service is to be payed by the member, there is no anticipated cost to the Public Employees' Retirement System employers. \$2.4 GF is required to provide for the increase to territorial retirees.

Prepared By: Garv Bader
Division: Retirement and Benefits

Phone: 465-4470
Date: April 17, 1992

Approved by Commissioner: Nancy Bear Userra
Agency: Department of Administration

Date: 4/20/92

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB & Impacted Agency(ies).
Rev 11/91

Final

**CS FOR SENATE BILL NO. 338 (FINANCE)
IN THE LEGISLATURE OF THE STATE OF ALASKA
SEVENTEENTH LEGISLATURE - SECOND SESSION**

BY THE SENATE FINANCE COMMITTEE

**Offered:
Referred:**

Sponsor(s): SENATOR DUNCAN

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to credited service that vested members of the public employees'
2 retirement system receive for temporary service and to credited service for temporary
3 service for the legislature; relating to benefits paid under the territorial public employees'
4 retirement system; and providing for an effective date."

5 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

6 * **Section 1.** AS 39.35.345(d) is repealed and reenacted to read:

7 (d) An employee may choose whether the credited service granted under this section is
8 used to satisfy the credited service requirements for normal retirement or is only used for the
9 calculation of benefits. An election under this subsection is irrevocable and applies to all
10 temporary credited service that the employee has accrued when the employee retires.

11 * **Sec. 2.** AS 39.35.360 is amended by adding a new subsection to read:

12 (l) A member is eligible to receive credited service for service that was rendered as a
13 temporary employee of the legislature of the state or territory during legislative sessions for
14 which the member has not received credit under (g) of this section or AS 39.35.345. To receive

1 retroactive credited service under this subsection, a member must claim the service. When the
2 member claims the service, an indebtedness of the member to the system shall be established.
3 The amount of this indebtedness is equal to the full actuarial cost of providing benefits for the
4 credited service claimed. Interest as prescribed by regulation accrues on this indebtedness
5 beginning on the date the service is claimed. Any outstanding indebtedness that exists at the time
6 the member retires will require an actuarial adjustment to the benefits that are based upon
7 credited service claimed under this subsection.

8 * Sec. 3. The benefits payable under sec. 1, ch. 102, SLA 1951, as increased by ch. 85, SLA 1970;
9 ch. 134, SLA 1975; sec. 43, ch. 146, SLA 1980; and sec. 54, ch. 82, SLA 1986, are further increased
10 by \$200 per month for each recipient.

11 * Sec. 4. A member of the public employees' retirement system who has claimed credited service
12 under AS 39.35.345 on or before the effective date of this section may exercise the election established
13 under AS 39.35.345(d), as amended by sec. 1 of this Act, before the member is appointed to retirement.

14 * Sec. 5. Section 3 of this Act takes effect July 1, 1992.

Adopted
RU motion - 4-16-92
7-LS1623G.1
Cramer
04/10/92

A M E N D M E N T

OFFERED IN THE SENATE

BY SENATOR DUNCAN

TO: SB 338

Page 1, line 3, after "legislature":

Insert "; relating to benefits paid under the territorial public employees' retirement system; and providing for an effective date."

Page 2, after line 6:

Insert a new bill section to read:

"* Sec. 3. The benefits payable under sec. 1, ch. 102, SLA 1951, as increased by ch. 85, SLA 1970; ch. 134, SLA 1975; sec. 43, ch. 146, SLA 1980; and sec. 54, ch. 82, SLA 1986, are further increased by \$200 per month for each recipient."

Renumber the following bill section accordingly.

Page 2, line 8:

Delete "Act"

Insert "section"

Page 2, after line 9:

Insert a new bill section to read:

"* Sec. 5. Section 3 of this Act takes effect July 1, 1992."

FISCAL NOTE

STATE OF ALASKA
1992 LEGISLATIVE SESSION

No. 1
Bill Version: SB 338
(S) Publish Date: 2-6-92

Revision Date: _____
Title: An act relating to credited service that PERS members receive for temporary service.
Sponsor: Duncan
Requestor: Senate State Affairs

Department Affected: Administration
BRU: Retirement and Benefits
Component: Retirement and Benefits
COMPONENT SERIAL NO. 64

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE FUND SOURCE:	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 FUND SOURCE	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS

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

Estimate of current year impact: \$0

ANALYSIS: (attach a separate page if necessary.)
Since the full actuarial cost of this service is to be paid by the member, there is no anticipated measurable cost to Public Employees' Retirement System employers.

Prepared By: Gary Bader *Gary M. Bader* Phone: 465-4470
Division: Retirement and Benefits Date: January 23, 1992

Approved by Commissioner: Nancy Bear Usher *Nancy Bear Usher* Date: 1/27/92
Agency: Department of Administration

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB & Impacted Agency(ies).
Rev 11/91 Page 1 of 1



Alaska State Legislature

SENATOR JIM DUNCAN

COMMITTEES:
VICE CHAIR –
FINANCE
VICE CHAIR –
STATE AFFAIRS
RULES
BUDGET & AUDIT
ETHICS REFORM

MEMORANDUM

DATE: April 15, 1992

TO: Senator Pat Pourchot, Chair
Senate Finance Committee

FROM: Senator Jim Duncan

SUBJECT: Senate Bill 338, Amendment relating to benefits paid under the territorial public employees' retirement system; and providing for an effective date.

The enactment of Chapter 41, SLA 1949 required the compulsory retirement of persons sixty-five years of age or older who had completed at least ten years of service to the Territory. By Chapter 102, SLA 1951, the original system was repealed to make express provisions to pay minimum fixed benefit amounts for life to the long-time officers and employees of the Territory who had already been retired under the 1949 act. The benefit amounts provided by the 1951 act remained fixed for almost twenty years.

The tenth session of the legislature provided for a \$75.00 per month increase to the Territorial Retirees. However, this bill HCSSB 627 dealt with many other matters concerning retirement for state employees and was vetoed by the governor for reasons wholly unrelated to the benefit of the retirees.

In 1980 and 1986 the territorial retirement benefits were increased another \$100 per month for each recipient with Chapter 146, SLA 1980 and Chapter 82, SLA 1986 to provide a total benefit of \$508.41 a month.

It seems appropriate to increase the one remaining recipient's benefits by \$200.00 per month to recognize the increased cost of living in the past six years.

I urge your support of this amendment to SB 338. This amendment does require a title change.

Attachments

POSITION PAPER
DEPARTMENT OF ADMINISTRATION

Contact: Gary M. Bader

Bill Number: SB 338

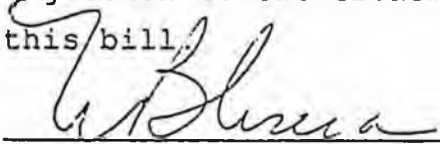
Phone #: 465-4470

Bill Title: An act relating to credited service that PERS members can claim for temporary service.

This bill would allow a member to claim temporary service as either "credited" service, which only increases the benefit amount, or "membership" service, which enables the member to reach minimum service requirements for retirement, in addition to increasing the benefit. Under present law, temporary service may only be claimed as credited service.

This bill would enable employees to use temporary service to retire under the "30 and out" and "20 and out" retirement options.

Temporary service is currently recognizable under the retirement system. Since the full actuarial cost of using the temporary service must be borne by the employee, the provisions of this bill will not result in any cost to the retirement system. For these reasons, the department has no objection to the treatment of temporary service proposed by this bill.



Nancy Bear Uşera
Commissioner

4-14-92
Date

February, 1990

M E M O R A N D U M

Re: Increasing Benefits Under the Territorial Public Employees Retirement System

In 1949 the Territorial Legislature of Alaska initiated the first public employees retirement system for employees of the Territorial Government by enactment of Chapter 41, SLA 1949. In its terms were provisions for the compulsory retirement of persons sixty-five years of age or older who had completed at least ten years of service to the Territory.

By Chapter 102, SLA 1951, the original system was repealed in order to establish an alternative that incorporated the federal social security system and other new elements. The repealing act made express provision to pay minimum fixed benefit amounts for life to the long-time officers and employees of the Territory who had already been retired under the 1949 act. Approximately twelve to fifteen persons were in this group, and direct appropriations to honor this commitment have been made in all the succeeding years to the surviving retirees.

The benefit amounts provided by the 1951 act remained fixed for almost twenty years. In 1970 an increase of 25% was made by Chapter 85, SLA 1970. Another increase of \$100 per month for each recipient was made by Chapter 134, SLA 1975, and in addition provision was made for the surviving spouse of each beneficiary under the original act to receive the designated benefit amount for life. A further increase of \$75 per month was voted by the tenth session of the legislature in HCSSB No. 627 to be effective July 1, 1978. However, this bill dealt with many other matters concerning retirement for state employees, and it was vetoed by the governor for reasons wholly unrelated to the benefit to the "oldtimers" under the Territorial System.

In 1980 the benefits were increased another \$100 per month for each recipient under Chapter 146, SLA 1980. And a last increase of \$100 per month was made by Chapter 82, SLA 1986, which became effective June 6, 1986. Accordingly it has been approximately four years since any cost of living increase has been established for the two persons remaining alive who are entitled to these benefits. One of these persons is now age 97, and the other is approximately age 96. Both are living in circumstances of need, having survived on the minimal amounts for nearly forty years. One receives \$470.73 per month and the other \$508.41 at the current benefit levels. It would appear that another increase of \$100 to \$150 per month might now be in order to recognize the increased cost of living in the past four years.

Draft language for a bill to accomplish such an increase, or to be added to any act that might be dealing with retirement of public employees, is appended for information purposes.

February 1990

Notes on Benefit Recipients Under the Territorial Public Employees Retirement System (Chapter 102, SLA 1951, etc.)

deceased 1991
Ronald L. Stewart - Mr. Stewart commenced work for the Territory of Alaska in the early 1920's as an administrative assistant in the office of the Territorial Mine Inspector. He continued in that office until his retirement under the Territorial Public Employees Retirement System in 1951 but worked in Alaska for some additional years for the Alaska Road Commission. For many years he has resided in Ashland, Oregon, but is just now in the process of moving back to Alaska to live with a granddaughter in the Kenai area, having recently become a widower for the second time. He is approaching his 96th birthday.

Doris A. Stewart - Mrs. Stewart is the widow of B. D. Stewart, who died in 1976 at the age of 97. They had been married since 1935. B. D. Stewart was the Territorial Mine Inspector for Alaska commencing in 1919 and continued in that office until his compulsory retirement in 1949 under Chap. 41, SLA 1949. (The office was titled Commissioner of Mines after about 1935). He and his widow remained in Alaska until 1966, living at Juneau and Sitka, moving to Sequim, WA, by early 1967. Mrs. Stewart became the recipient under the act by virtue of Chap. 134, SLA 1975. She continues to live independently at Sequim and is now 97 years of age. She has one step-son living in Alaska and several grandchildren and five great-grandchildren who reside in Anchorage and Juneau.

(The two recipients are not related in any way).

PLEASE MICROFILM TOP PAGE ONLY

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SENATE FINANCE COMMITTEE REPORT

DATE: 3/19/92

FURTHER:

DATE TURNED INTO OFFICE: 5-4-92

The Finance Committee considered SENATE BILL NO. 343

"An Act relating to the crime of conspiracy."

and recommends:

- replace with _____ CS _____ (FINANCE)
- or adopt previous CS SB 343 (Final)
- attaches amendment(s)

- same title
- new title
- technical title change (HB only)

adopts _____ Letter of Intent

further referral to the _____

do pass

do not pass

no recommendation

individual recommendations

NEW FISCAL NOTES: Dept/Date

zero fiscal notes _____

DOA-OPA 0

DOA-PD 0

fiscal notes DPS 0 1/27/92

COURTS 1289 3/3/92

appropriation--no fiscal note

DO PASS:

Dirk Schultz

OTHER RECOMMENDATIONS:

As you can see No Rec
Agree with No Rec
Let Adams - DO NOT PASS

Rich Gehring (No Rec)

1. _____

Co-Chair: Signature/Recommendation

2. Do not pass without

Co-Chair: Signature/Recommendation

Fiscal notes

FISCAL NOTE

No. 1

STATE OF ALASKA
1992 LEGISLATIVE SESSION

Bill Version: SB 343

(S) Publish Date: 3-19-92

Revision Date: February 24, 1992
Title: "An Act relating to the crime of conspiracy."
Sponsor: Senator Halford
Requestor: Senate Judiciary Committee

Department Affected: Department of Law
BRJ: Prosecution
Component: All

COMPONENT SERIAL

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Expenditures/Revenues: (Thousands of Dollars)

85 through 91

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL						
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REVENUE FUND SOURCE:						
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FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER FUND SOURCE:						
TOTAL						

POSITIONS:

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

Estimate of current year impact: _____

ANALYSIS: (Attach a separate page if necessary.) The 2/20/92 Judiciary Committee work draft for SB 343, reduces the bill's score to "heinous offenses", which the work draft defines as offenses against a person under AS 11.41, punishable as an unclassified or class A felony, and offenses involving controlled substances under AS 11.71 punishable as an unclassified or class A felony. Consequently, the department's fiscal note impact will continue to be zero.

Prepared by: Richard I. Peques, Director
Division: Administrative Services

Phone: 465-3672
Date: February 24, 1992

Approved by Commissioner: Charles E. Cole, Attorney General
Agency: Department of Law

Date: February 24, 1992

Distribution (by preparer): Leg. Fin., Legislative Sponsor

Changes in CS SB 343 (JUD) affected Agency(ies).

Rev 10/07/91

reflect NO FISCAL CHANGE from the original fiscal note. This fiscal note is appropriate.

Page 1 of 1

3/18/92
date Comte Aide (initial)

STATE OF ALASKA
1992 LEGISLATIVE SESSION

Bill Version: SB 343

(S) Publish Date: 3-19-92

Revision Date: 3/3/92

Department Affected: Department of Corrections

Title: "An Act relating to the crime of conspiracy."

BRU: Statewide Operations

Sponsor: Senator Halford

Component: Various

Requestor: Senate Judiciary

COMPONENT SERIAL NO.

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EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	164.3	164.3	164.3	164.3	164.3	164.3
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	164.3	164.3	164.3	164.3	164.3	164.3

CAPITAL						
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REVENUE						
FUND SOURCE:						

FUNDING: (Thousands of Dollars)

GENERAL FUND	164.3	164.3	164.3	164.3	164.3	164.3
FEDERAL FUNDS						
OTHER FUND SOURCE:						
TOTAL	164.3	164.3	164.3	164.3	164.3	164.3

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: 0

ANALYSIS: (Attach a separate page if necessary.)
Please see the attached Analysis.

Changes in CSSB 343 (JUD) reflect NO FISCAL CHANGE from the original fiscal note. This fiscal note is appropriate.
3/18/92 PC
date Comte Aide (initial)

Prepared By: Diane Schenker, Legislative Liaison Phone: 465-3376

Division: Office of the Commissioner Date: 03/04/92

Approved by Commissioner: Lloyd Hames, Commissioner

Agency: Department of Corrections Date: 03/03/92

CONTINUATION OF FISCAL ANALYSIS

BILL: SB 343 (2/27/92 Work Draft, Judiciary Committee) "An Act relating to the crime of conspiracy."

The bill would make it illegal to conspire to commit certain heinous crimes: Heinous crimes are defined as unclassified and class A felonies against the person under AS 11.41, or crimes involving controlled substances under AS 11.71 which are punishable as unclassified, class A, or class B felonies. Conspiracy would be the same class of offense as the most serious offense that was an object of the conspiracy.

Data on the numbers of cases and average sentences for conspiracy convictions is not available to the Department of Corrections since this has not been a crime in Alaska in the past. However, based on information from the Department of Law, Criminal Division, it appears likely that the conspiracy statute would enable more effective prosecution of drug crimes in particular. Since conspiracies to commit murder, kidnapping, or other serious violent crimes occur rarely and erratically, the impact on the Department is unpredictable.

Assumption: The greatest impact of a conspiracy statute would involve drug-related crimes:

The Department of Law predicts that the conspiracy law will facilitate more effective prosecution of cases involving multiple defendants and may encourage defendants to cooperate with the state to get reduced charges. The result will probably be more offenders sentenced for drug offenses, rather than increasing sentence length. In 1991 there were 104 offenders incarcerated whose most serious charge was an unclassified (2), class A (8), or class B (94) Misconduct Involving Controlled Substances (MICS) offense. If this bill results in a ten percent increase in convictions for drug offenses, about ten (10) additional cases will be added per year. Since 90% of the relevant MICS offenses are class B felonies, the mean sentence length for a MICS B felony is used to calculate additional bed-days. (Mean sentence length is 20.1 months. Subtracting one third of the sentence for statutory good time results in time served of slightly over one year.) Ten additional offenders serving one additional year would result in 3,650 additional bed-days per year.

If these offenders can be placed in community residential beds at an average cost of about \$45 per day, the cost would be \$164,250 per year in additional contract bed costs. (If these offenders cannot be placed in community residential center beds, it is possible that other offenders will be displaced to the community residential center beds, with the same fiscal impact.)

CONTINUATION OF FISCAL ANALYSIS
2/27/92 Work Draft (Judiciary) SB 343

The estimated costs are based on contractual community residential beds since it is not possible to predict when the increases in incarceration would actually require adding new prison beds to the current correctional system. Using the daily cost of a prison bed (about \$96.00 per day) for each additional bed-day would not accurately reflect budget increases, since the cost of each existing prison bed is already reflected in the Department's budget.

The current prison beds are full. The current prison population forecast predicts little or no growth, absent changes in legislation such as those addressed in this bill. If this bill results in any substantial increase in convictions and prison sentences for offenses other than the ten percent increase in drug offenses described above, or if sufficient numbers of offenders cannot be diverted to community residential contract beds, then the effect of this bill will be to accelerate the pace at which the Department moves toward new prison construction, including additional staff positions and other operating costs.

**STATE OF ALASKA
1992 LEGISLATIVE SESSION**

BILL NO. SB 343

Revision Date: _____ Department Affected: Public Safety
 Title: An act relating to the crime BRU: Alaska State Troopers
of conspiracy. Component: Criminal Investigation Bureau
 Sponsor: Halford, Collins, Pearce
 Requestor: Senator Halford COMPONENT SERIAL NO.

	8	3	0
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EXPENDITURES/REVENUES: (Thousands of Dollars) (inflation not included)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
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REVENUE FUND SOURCE:	-0-	-0-	-0-	-0-	-0-	-0-
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FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER FUND SOURCE:						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

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

Estimate of current year impact: _____

ANALYSIS: (Attach a separate page if necessary.)
 No fiscal impact anticipated.

Prepared By: Francis C. Allan Phone: 269-5691
 Division: Alaska State Troopers Date: 1/24/92
 Approved by Commissioner: *George H. ...* for Richard L. Burton
 Agency: Department of Public Safety Date: 1/27/92

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/DBR, Gov. Leg. Ofc., & Impacted Agency(ies).

02/10/92 (JUC)

FISCAL NOTE

STATE OF ALASKA
1992 LEGISLATIVE SESSION

Bill No. CS SB 343 (Judiciary)

Revision Date: _____ Department Affected: Alaska Court System
 Title: An Act relating to the crime of BRU: Trial Courts
conspiracy Components: _____
 Sponsor: Halford
 Requestor: _____ COMPONENT SERIAL NO.

000 000	000 768
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EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	128.9	128.9	128.9	128.9	128.9	128.9
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS & CLAIMS						
TOTAL OPERATING	128.9	128.9	128.9	128.9	128.9	128.9
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUNDS	128.9	128.9	128.9	128.9	128.9	128.9
FEDERAL FUNDS						
OTHER						
TOTAL	128.9	128.9	128.9	128.9	128.9	128.9

POSITIONS:

FULL-TIME	1.0	1.0	1.0	1.0	1.0	1.0
PART-TIME	3.0	3.0	3.0	3.0	3.0	3.0
TEMPORARY						

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary)

See attached analysis.

Prepared by: C. S. Christensen III, Staff Counsel *[Signature]* Phone: 264-8228
 Division: Alaska Court System Date: 03/03/92
 Approved by: Arthur H. Snowden, II, Administrative Director *[Signature]*
 Agency: Alaska Court System Date: 03/03/92

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

CSSB 343 (JUD)

This bill creates a new crime of conspiracy to promote or facilitate a heinous offense. Its purpose is to create a crime under which persons not presently prosecutable can be prosecuted.

The Department of Law has not estimated the number of prosecutions which will result from this legislation. When similar legislation was considered in 1987, the department projected a need for two additional attorneys, a paralegal, and a secretary, indicating a potentially large caseload. OPA has estimated that it will defend 25 co-defendants charged as a result of this legislation, in addition to those co-defendants represented by the Public Defender. Most of these co-defendants will be entitled to separate trials. Experience in other states and at the federal level demonstrates that conspiracy cases generally require extensive pre-trial motion work, and are more likely to go to trial than other felony cases.

Alaska Court System

Fiscal Analysis

CS SB 343 (Judiciary)

Personal Services

	<u>Salary</u>	<u>Benefits</u>	<u>Total</u>
Pro Tem Superior Court Judge Anchorage, 12 months	\$24,150	\$19,431	\$43,581
Pro Tem Superior Court Judge Fairbanks, 6 months	12,251	9,734	21,985
Pro Tem Superior Court Judge Juneau, 6 months	12,075	9,716	21,791
In-Court Clerk, Anchorage	29,316	12,247	41,563
			<u>\$128,920</u>

F I S C A L N O T E

REQUEST:

Revision Date: 5-4-92 Affected Agency: Administration
 Title: An Act relating to BRU: Office of Public
the crime of conspiracy. Advocacy
 Sponsor: Senator Halford Components: Office of Public
 Requestor: Senate Finance Committee Advocacy

EXPENDITURES/REVENUES: (THOUSANDS OF DOLLARS)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
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						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (THOUSANDS OF DOLLARS)

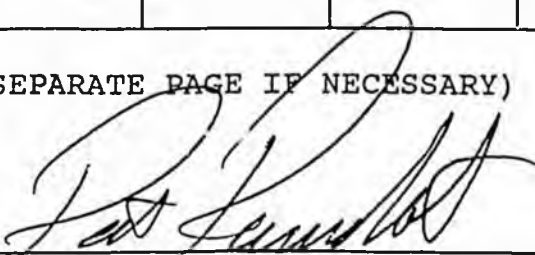
General Fund						
Federal Fund						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

Full-Time						
Part-Time						
Temporary						

ANALYSIS: (ATTACH A SEPARATE PAGE IF NECESSARY)

Prepared By:


 Senator Pat Pourchot, Co-chairman
 Senate Finance Committee

Date:

5/5/92
 Phone: 465-3879

DISTRIBUTION (BY PREPARER)
 LEGISLATIVE FINANCE
 LEGISLATIVE SPONSOR

REQUESTOR
 OFFICE OF MANAGEMENT AND BUDGET
 AGENCY (IES)

FISCAL NOTE

REQUEST:

Revision Date: 5-4-92 Affected Agency: Administration
 Title: An Act relating BRU: Public Defender Agency
to the crime of conspiracy.
 Sponsor: Senator Halford Components: Public Defender Agency
 Requestor: Senate Finance Committee

EXPENDITURES/REVENUES: (THOUSANDS OF DOLLARS)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
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						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (THOUSANDS OF DOLLARS)

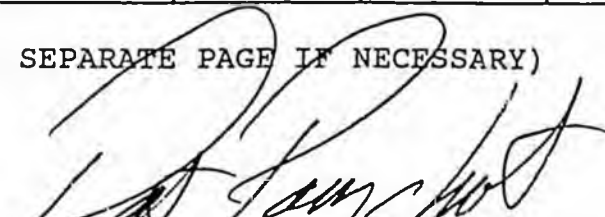
General Fund						
Federal Fund						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

Full-Time						
Part-Time						
Temporary						

ANALYSIS: (ATTACH A SEPARATE PAGE IF NECESSARY)

Prepared By:


 Senator Pat Pourchot, Co-chairman
 Senate Finance Committee

Date:

5/5/92
 Phone: 465-3879

DISTRIBUTION (BY PREPARER)
 LEGISLATIVE FINANCE
 LEGISLATIVE SPONSOR

REQUESTOR
 OFFICE OF MANAGEMENT AND BUDGET
 AGENCY(IES)

CS FOR SENATE BILL NO. 343 (JUDICIARY)
IN THE LEGISLATURE OF THE STATE OF ALASKA
SEVENTEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE JUDICIARY COMMITTEE

Offered: 3/19/92
Referred: Finance

Sponsor(s): SENATORS HALFORD, Collins, Pearce

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the crime of conspiracy."

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

3 * Section 1. AS 11.31 is amended by adding new sections to read:

4 Sec. 11.31.120. CONSPIRACY. (a) An offender commits the crime of conspiracy if,
5 with the intent to promote or facilitate a serious felony offense, the offender agrees with one or
6 more persons to engage in or cause the performance of that activity and the offender or one of
7 the persons does an overt act in furtherance of the conspiracy.

8 (b) If an offender commits the crime of conspiracy and knows that a person with whom
9 the offender conspires to commit a serious felony offense has conspired or will conspire with
10 another person or persons to commit the same serious felony offense, the offender is guilty of
11 conspiring with that other person or persons to commit that crime whether or not the offender
12 knows their identities.

13 (c) In a prosecution under this section, it is not a defense

14 (1) that the defendant belongs to a class of persons who by definition are legally

1 incapable in an individual capacity of committing the crime that is the object of the conspiracy;
2 or

3 (2) that a person with whom the defendant conspires could not be guilty of the
4 crime that is the object of the conspiracy because of

5 (A) lack of criminal responsibility or other legal incapacity or exemption;

6 (B) unawareness of the criminal nature of the conduct in question or of
7 the criminal purpose of the defendant; or

8 (C) any other factor precluding the culpable mental state required for the
9 commission of the crime.

10 (d) If the offense that the conspiracy is intended to promote or facilitate is actually
11 committed, a defendant may not be convicted of conspiring to commit that offense with another
12 person for whose conduct the defendant is not legally accountable under AS 11.16.120(b).

13 (e) In a prosecution under this section, it is an affirmative defense that the defendant,
14 under circumstances manifesting a voluntary and complete renunciation of the defendant's
15 criminal intent, either (1) gave timely warning to law enforcement authorities; or (2) otherwise
16 made proper effort that prevented the commission of the crime that was the object of the
17 conspiracy. Renunciation by one conspirator does not affect the liability of another conspirator
18 who does not join in the renunciation.

19 (f) Conspiracy is a

20 (1) unclassified felony if the object of the conspiracy is murder in the first degree;

21 (2) class A felony if the object of the conspiracy is a crime punishable as an
22 unclassified felony other than murder in the first degree;

23 (3) class B felony if the object of the conspiracy is a crime punishable as a class
24 A felony;

25 (4) class C felony if the object of the conspiracy is a crime punishable as a class
26 B felony.

27 (g) In this section, "serious felony offense" means an offense

28 (1) against the person under AS 11.41, punishable as an unclassified or class A
29 felony; or

30 (2) involving controlled substances under AS 11.71, punishable as an unclassified,
31 class A, or class B felony.

1 * Sec. 2. AS 11.31.140(a) is amended to read:

2 (a) It is not a defense to a prosecution under AS 11.31.100 - 11.31.120 [AS 11.31.100
3 OR AS 11.31.110] that the crime the defendant attempted to commit, solicited to commit, or
4 conspired to commit [THAT IS THE OBJECT OF THE ATTEMPT OR SOLICITATION] was
5 actually committed pursuant to the attempt, solicitation, or conspiracy [OR SOLICITATION].

6 * Sec. 3. AS 11.31.140(b) is amended to read:

7 (b) A person may not be convicted of more than one crime defined by AS 11.31.100 -
8 11.31.120 [AS 11.31.100 OR AS 11.31.110] for conduct designed to commit or culminate in
9 commission of the same crime.

10 * Sec. 4. AS 11.31.140(d) is amended to read:

11 (d) This section does not bar inclusion of multiple counts in a single indictment or
12 information charging commission of a crime defined by AS 11.31.100 - 11.31.120 [AS 11.31.100
13 OR 11.31.110] and commission of the crime that is the object of the attempt, conspiracy, or
14 solicitation.

15 * Sec. 5. AS 12.55.125(v) is amended to read:

16 (b) A defendant convicted of murder in the second degree, attempted murder in the first
17 degree, conspiracy to commit murder in the first degree, kidnapping, or misconduct involving
18 a controlled substance in the first degree shall be sentenced to a definite term of imprisonment
19 of at least five years but not more than 99 years.

0-1187-1-2000

STATE OF ALASKA
1992 LEGISLATIVE SESSION

BILL NO. SB 343

Revision Date: _____ Department Affected: Department of Law

Title: "An Act relating to the crime of BRU: Prosecution

Conspiracy." Component: All

Sponsor: Senator Halford

Requestor: Senate Judiciary Committee

COMPONENT SERIAL NO.

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85 through 91

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
FUND SOURCE:						

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
FUND SOURCE:						
TOTAL						

POSITIONS:

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

Estimate of current year impact: _____

ANALYSIS: (Attach a separate page if necessary.)

Please see the attached analysis.

Richard I. Peques

Prepared By: Richard I. Peques, Director

Phone: 465-3672

Division: Administrative Services

Date: February 13, 1992

Approved by Commissioner: Richard I. Peques / For / Charles F. Cole, Attorney General

Agency: Department of Law

Date: February 13, 1992

249.02
5(2nd)

CONTINUATION OF FISCAL NOTE ANALYSIS

For Bill/Resolution No. SB 343

This bill creates a crime of conspiracy when two or more people agree to commit a criminal offense and one of them does some act in furtherance of the agreement. The bill extends the application of the conspiracy law to specific crimes: certain felony offenses under Title 11 (criminal code) and Title 4 (alcoholic beverages).

The Department of Law believes there will not be a significant increase in the number of cases due to the conspiracy law. Current law permits prosecution of those who directly commit crimes, as well as those who are accomplices (AS 11.16). Because our present accomplice law allows us to prosecute people who aid and abet a criminal, is it unlikely that the conspiracy law (which requires proof of an agreement to commit the crime) will result in any more cases being prosecuted. Instead, the crime of conspiracy will be added as another count in a case that would have been prosecuted anyway.

In those cases that cannot be charged under current law, the crime of conspiracy will permit some additional cases to be prosecuted and some fiscal impact could result, although there may be offsetting cost savings.

The major effect of the conspiracy law is to permit the introduction of additional evidence in a trial. Thus the jury is permitted to hear, for example, more evidence about the overall drug operation, rather than being limited to evidence about specific drug sales on specific dates. The jury does not therefore view those sales in isolation, but is allowed to see the "big picture", and the state's case is made stronger. We believe that defendants charged under the conspiracy law will cooperate with the state to try to get a reduced charge, and therefore fewer trials will occur. Another potential cost-savings is that multiple defendants charged with conspiracy will be able to be tried in a joint trial, rather than separate trials as is usually the practice now.

Naturally the effects of any new law cannot be predicted with precise certainty. However, conspiracy laws and stiff drug penalties are nothing new in the rest of the country. United States Attorney Wev Shea and Anchorage District Attorney Ed McNally, himself a former federal drug prosecutor, have experience in dealing with these laws, and in their experience caseloads are not increased, but the government's case does get stronger and there are efficiencies from joint trials.

FISCAL NOTE

STATE OF ALASKA
1992 LEGISLATIVE SESSION

BILL NO. S.B. 343

Revision Date: _____ Department Affected: Department of Corrections
 Title: "An Act relating to the crime of conspiracy." BRU: Statewide Operations
 Component: Various
 Sponsor: Senator Halford
 Requestor: Senate Judiciary COMPONENT SERIAL NO.

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EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	197.1	197.1	197.1	197.1	197.1	197.1
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	197.1	197.1	197.1	197.1	197.1	197.1
CAPITAL						

REVENUE FUND SOURCE:						
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FUNDING: (Thousands of Dollars)

GENERAL FUND	197.1	197.1	197.1	197.1	197.1	197.1
FEDERAL FUNDS						
OTHER FUND SOURCE:						
TOTAL	197.1	197.1	197.1	197.1	197.1	197.1

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: 0

ANALYSIS: (Attach a separate page if necessary.)

Please see the attached analysis.

Prepared By: Diane Schenker, Legislative Liaison Phone: 465-3376
 Division: Office of the Commissioner Date: 02/25/92
 Approved by Commissioner: Lloyd Hames, Commissioner
 Agency: Department of Corrections Date: 02/25/92

CONTINUATION OF FISCAL ANALYSIS

BILL: SB 343 "An Act relating to the crime of conspiracy."

The bill would make it illegal to conspire to commit certain crimes.

Data on the numbers of cases and average sentences for conspiracy convictions is not available from the Department of Corrections since this has not been a crime in Alaska in the past. However, based on information from the Department of Law, Criminal Division, it appears likely that the conspiracy statute would enable more effective prosecution of drug crimes in particular. Since conspiracies to commit murder, kidnapping, or other serious violent crimes occur rarely and erratically, the impact on the Department is unpredictable.

Assumption: The greatest impact of a conspiracy statute would be on drug-related crimes:

In 1991, there were 104 inmates incarcerated for unclassified, Class A, and Class B offenses for Misconduct Involving a Controlled Substance (MICS). The Department of Law predicts that the conspiracy law will facilitate more effective prosecution of cases involving multiple defendants and may encourage defendants to cooperate with the state to get reduced charges. The result will probably be more offenders sentenced for drug offenses, rather than increasing sentence length. In 1991 there were 104 offenders incarcerated whose most serious charge was an unclassified (2), Class A (8), or Class B (94) MICS offense. If this bill results in a ten percent increase in convictions for drug offenses, about ten (10) additional cases will be added per year. Since the greatest number of offenses are Class B, it is assumed the ten additional convictions would result in sentences of about 20.1 months (the mean sentence length for Class B MICS offenses.) With the deduction for statutory good time, this would result in ten offenders serving about 12 months each, or 12 bed-years, or 4,830 bed-days. If these offenders can be placed in community residential beds at an average cost of about \$45.00 per day, the cost would be \$197,100.00 per year in additional contract bed costs. (If these offenders cannot be placed in community residential center beds, it is possible that other offenders will be displaced to the community residential center beds, with the same fiscal impact.)

The estimated costs are based on contractual community residential beds since it is not possible to predict when the increases in incarceration would actually require adding new prison beds to the current correctional system. Using the daily cost of a prison bed (about \$96.00 per day) for each additional bed-day would not accurately reflect budget increases, since the cost of each existing prison bed is already reflected in the Department's budget.

CONTINUATION OF FISCAL ANALYSIS-- SB 343

The current prison beds are full. The current prison population forecast predicts little or no growth, absent changes in legislation such as those addressed in this bill. If this bill results in any substantial increase in convictions and prison sentences for offenses other than the ten percent increase in drug offenses described above, or if sufficient numbers of offenders cannot be diverted to community residential contract beds, then the effect of this bill will be to accelerate the pace at which the Department moves toward new prison construction, including additional staff positions and other operating costs.

FISCAL NOTE

No. 2

STATE OF ALASKA
1992 LEGISLATIVE SESSION

Bill Version: SB 343

(S) Publish Date: 3-19-92

Revision Date: _____

Title: "An Act relating to the crime of conspiracy."

Department Affected: Administration

BRU: Public Defender Agency

Component: Public Defender Agency

Sponsor: Senator Halford

Requestor: Senate Judiciary

COMPONENT SERIAL NO.

1	6	3	1
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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 95	FY 97	FY 98
PERSONAL SERVICES	360.9	371.7	382.9	394.4	406.2	418.4
TRAVEL	15.0	15.5	16.0	16.5	17.0	17.5
CONTRACTUAL	30.0	31.0	32.0	33.0	34.0	35.0
SUPPLIES	4.0	4.1	4.2	4.3	4.4	4.5
EQUIPMENT	6.0					
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	415.9	422.3	435.1	448.2	461.6	475.4

CAPITAL						
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REVENUE FUND SOURCE:						
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FUNDING: (Thousands of Dollars)

GENERAL FUND	415.9	422.3	435.1	448.2	461.6	475.4
FEDERAL FUNDS						
OTHER FUND SOURCE:						
TOTAL	415.9	422.3	435.1	448.2	461.6	475.4

POSITIONS:

FULL-TIME	6.0	6.0	6.0	6.0	6.0	6.0
PART-TIME						
TEMPORARY						

Estimate of current year impact: _____

ANALYSIS: (Attach a separate page if necessary.)
(See attached.)

Changes in CS SB 343 (JUD) reflect NO FISCAL CHANGE from the original fiscal note. This fiscal note is appropriate.

3/18/92 R
date Comte Aide (initial)

Prepared by: John B. Salemi, Public Defender

Division: Public Defender Agency

Phone: 279-7541

Date: January 27, 1992

Approved by Commissioner: Nancy Bear Usara

Agency: Administration

Date: 1/28/92

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/DBR, Gov. Legis. Ofc., & Impacted Agency(ies).

ANALYSIS: (continued)

Title: "An Act related to the crime of conspiracy."

This bill creates a new crime of conspiracy if a person with the intent to promote or facilitate an illegal activity agrees to engage in or cause the performance of that activity and that person or one of the persons does an overt act in furtherance of the conspiracy. Illegal activity is defined to include all felony crimes against persons, all felony crimes against public administration and order, all felony crimes involving alcoholic beverages under AS 04 and unclassified, felony A and felony B drug offense and felony A and felony B property offenses. In short, the crimes included are numerous. The only crimes where there could not be a conspiracy would be misdemeanors and C felony level property and drug offenses. Each conspiracy crime would be punished as a one step lower crime than the object crime of the conspiracy.

The net effect of this bill is to enormously increase the potential pool of defendants by not only covering a broad range of crimes, but also by making criminal a broader range of conduct. Under current accomplice liability statutes there must be "substantial step towards the commission of the target offense." Under conspiracy there is no requirement that it progress past "an overt act." Therefore, multiple co-defendants will be generated even when a completed crime or a substantial step toward a completed crime is absent. The conspiracy statute penalizes speech and any overt act however preliminary in nature.

The scope of enforcement authority is expanded to include anyone only peripherally involved. There will be a larger and more complicated investigation and the net of prosecution will spread wider. Because such a law expands the persons who might be charged in any given crime, it also expands the pool of persons who might legitimately claim fifth amendment privileges. Additionally, multiple defendant trials, whether handled in a single trial or in numerous separate trials are extremely time consuming. The Public Defender Agency must assume that it will be appointed in a large number of conspiracy prosecutions just as it is currently appointed in a large number of all of the underlying types of object crimes. It must be assumed that numerous prosecutions will be pursued under this statute because of the current frequency of arrests for the substantive offenses involved.

Investigation in defense of conspiracy cases is extremely time consuming and labor intensive. Cases filed in conspiracy statutes on the federal level and in other states routinely involve substantial attorney time, particularly for preparation of pre-trial motions. The greater impact will more probably lie with the Office of Public Advocacy. The Public Defender Agency will only be permitted, due to legal conflict of interest rules, to represent a single conspirator. The Office of Public Advocacy, through its staff attorneys will be able to represent a single conspirator. The remaining co-conspirators will have to be represented by independent counsel hired under contract by the Office of Public Advocacy.

Due to the incredible breadth of the substantive target crimes of this conspiracy statute and due to the fact that the Department of Law's investigative activity will probably focus on more urban areas, the Public Defender Agency is requesting one experienced attorney, an investigator, and a clerk typist to handle representation of clients in its two largest urban areas. These attorneys and staff will be stationed in Anchorage and Fairbanks, but will represent clients charged with conspiracy on a statewide basis.

FISCAL NOTE

STATE OF ALASKA
1992 LEGISLATIVE SESSION

BILL NO. SB 343

BUDGET ANALYSIS - SB 343

100:	Attorney IV (Anchorage)	86.6	
	Attorney IV (Fairbanks)	98.2	
	Investigator II (Anchorage)	52.3	
	Investigator II (Fairbanks)	54.2	
	Clerk Typist III (Anchorage)	34.2	
	Clerk Typist III (Fairbanks)	35.4	
			360.9
200:	Travel (Attorneys, Investigators, Experts, Witnesses)		15.0
300:	Contractual (Office Space, Experts, Communications)		30.0
400:	Supplies (Office and law library)		4.0
500:	Equipment (one time)		<u>6.0</u>
	Total		415.9

Position Title Attorney IV		No. of Positions 2	Range / Step 24/A	Org. Unit PX	
Time Status PFT	Staff Months 24.0	Location Anchorage and Fairbanks		Election District 20-7	
TYPE OF EXPENDITURE		AMOUNT			
Salary	137.7	Justification SB 343 These senior felony attorneys will be stationed, one in Anchorage and one in Fairbanks. The Anchorage attorney will represent clients in the First and Third Judicial Districts while the Fairbanks attorney will cover the Second and Fourth Judicial Districts.			
Benefits	47.2				
Premium Pay					
Other					
Total Personal Services	184.9				184.9
Travel					10.0
Contractual					19.0
Commodities					2.0
Equipment					3.0
Other					
Total Cost		218.9			
FUNDING SOURCE FOR TOTAL COST					
Federal Receipts	1002				
G.F. Match	1003				
General Fund	1004	218.9			
I-A Receipts	1007				
CIP Receipts	1061				
Other					

8/LEG92/02716.kp/4

Request For New Position

AGENCY ADMINISTRATION

BRU Public Defender Agency

COMPONENT Public Defender Agency

FY 93

Page 4 of 6
Revised Date: _____

Position Title Investigator II		No. of Positions 2	Range / Step 16/A	Barg Unit CCU	
Time Status PFT	Staff Months 24.0	Location Anchorage and Fairbanks		Election District 20-7	
TYPE OF EXPENDITURE		AMOUNT			
Salary	75.3	Justification SB 343 These investigators will be based in Anchorage and Fairbanks but will provide services throughout the entire state.			
Benefits	31.1				
Premium Pay					
Other					
Total Personal Services	106.4				106.4
Travel					5.0
Contractual					7.0
Commodities					1.0
Equipment					1.5
Other					
Total Cost		120.9			
FUNDING SOURCE FOR TOTAL COST					
Federal Receipts	1002				
C.F. Match	1003				
General Fund	1001	120.9			
I-A Receipts	1007				
CIP Receipts	1061				
Other					

8/LEG92/02716.kp/5

**Request For
New Position**

AGENCY ADMINISTRATION

BRU Public Defender Agency

COMPONENT Public Defender Agency

FY 93

Page 5 of 6
Revised Date: _____

Position Title Clerk Typist III		No. of Positions 2	Range / Step 8/B	Org. Unit CGU	
Time Status PFT	Staff Months 21.0	Location Anchorage and Fairbanks		Election District 2-17	
TYPE OF EXPENDITURE		AMOUNT			
Salary	46.8	Justification SB 343 These two support staff positions will be based in Anchorage and Fairbanks.			
Benefits	22.9				
Premium Pay					
Other					
Total Personal Services	69.7				69.7
Travel					
Contractual					4.0
Commodities					1.0
Equipment					1.5
Other					
Total Cost		76.2			
FUNDING SOURCE FOR TOTAL COST					
Federal Receipts	1002				
G.F. Match	1003				
General Fund	1001	76.2			
I-A Receipts	1007				
CIP Receipts	1061				
Other					

8/LEG92/02716.kp/6

Request For New Position

AGENCY ADMINISTRATION

BRU Public Defender Agency

COMPONENT Public Defender Agency

FY 93

Page 6 of 6
Revised Date: _____

STATE OF ALASKA
1992 LEGISLATIVE SESSION

FISCAL NOTE

No. 3

Bill Version: SB 343

(S) Publish Date: 3-19-92

Revision Date: _____

Title: "An Act relating to the crime of conspiracy."

Sponsor: Halford, Collins, Pearce

Requestor: Senate Judiciary

Department Affected: Administration

BRU: Office of Public Advocacy

Component: Office of Public Advocacy

COMPONENT SERIAL NO.

		4	3
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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	123.7	128.6	133.7	139.0	144.6	150.4
TRAVEL						
CONTRACTUAL	381.1	391.1	406.7	423.0	439.9	457.5
SUPPLIES	2.0	2.1	2.2	2.3	2.4	2.5
EQUIPMENT	11.0	0	0	0	0	0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	517.8	521.8	542.6	564.3	586.9	610.4

CAPITAL						
---------	--	--	--	--	--	--

REVENUE FUND SOURCE:						
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FUNDING: (Thousands of Dollars)

GENERAL FUND	517.8	521.8	542.6	564.3	586.9	610.4
FEDERAL FUNDS						
OTHER FUND SOURCE:						
TOTAL	517.8	521.8	542.6	564.3	586.9	610.4

POSITIONS:

FULL-TIME	2.0	2.0	2.0	2.0	2.0	2.0
PART-TIME						
TEMPORARY						

Estimate of current year impact: None.

ANALYSIS: (Attach a separate page if necessary.)
See attached.

Changes in CSB 343 (TW) reflect NO FISCAL CHANGE from the original fiscal note. This fiscal note is appropriate.

3/18/92 ve
date Comte Aide (initial)

Prepared by: Brant McGee, Public Advocacy
Division: Office of Public Advocacy

Phone: 274-1634
Date: January 24, 1992

Approved by Commissioner: Nancy Bear Usara
Agency: Administration

Date: 1/28/92

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/DBR, Gov. Legis. Ofc., & Impacted Agency(ies).

ANALYSIS: (continued)

This bill will create a new crime of "conspiracy" under which two or more people involved in felonies would be prosecutable for this separate crime. The purpose of the bill is to create another crime under which persons not currently prosecutable can be prosecuted. Further, and most importantly from the fiscal perspective of this agency, this bill will dramatically increase the potential pool of defendants who will request State-funded counsel, if charged. Such a change will inevitably give rise to conflicts of interest among defendants which will mandate the legal representation of each defendant by a separate attorney or agency.

The Office of Public Advocacy (OPA) is responsible for providing representation for those with whom the Alaska Public Defender Agency (PDA) has a conflict of interest. The great majority of defendants prosecuted under conspiracy laws will be found by the court to be indigent and qualified for PDA and OPA services. By definition, because the statute is designed to prosecute two or more people, OPA will be responsible for providing representation to one or more alleged co-conspirators in the great majority of the cases prosecuted under this new section. For example, if the Alaska PDA is appointed to represent defendant #1 in a conspiracy case, OPA will be appointed to provide representation, probably by a staff attorney, to defendant #2, and, through contract counsel, to all other co-defendants in a particular case.

Cases filed under conspiracy statutes on the federal level and in other states routinely involve substantial attorney time, particularly for the preparation of pre-trial motions. Due to the fact that the Department of Law investigation activity will probably focus on urban areas, the OPA is requesting one experienced attorney and a legal secretary in Anchorage to handle representation of clients charged under the bill. Because the staff attorney can represent but one co-defendant in a given case, the OPA must contract with private counsel for the representation of all other co-defendants determined to be indigent by the court.

It is anticipated that the complexity of this litigation will dictate high contract costs, which are estimated at \$15,000 per defendant. To our knowledge, the Department of Law has not estimated the number of prosecutions it will initiate during FY 93 or subsequent years under the new conspiracy statute. The projected \$375,000 in contract costs is thus based on the assumption that the OPA will only be responsible for 25 co-defendants charged under these statutes for which it cannot provide staff representation during the coming fiscal year.

It should be noted that conspiracy prosecutions are far more expensive to defend than to prosecute. The nature of the allegation means that two, and usually more, defendants—each represented by separate counsel—will be prosecuted by one or two Assistant District Attorneys. For example, in a typical conspiracy prosecution, the Department of Law and the PDA will each be paying for one attorney, while the OPA will be responsible for providing counsel to all of the remaining co-defendants.

Position Title Attorney IV		No. of Positions 1	Range / Step 24/A	Barg. Unit PX
Time Status PFT	Staff Months 12.0	Location Anchorage-EBA		Election District 8
TYPE OF EXPENDITURE		AMOUNT		
Salary		64.0		
Benefits		22.6		
Premium Pay				
Other				
Total Personal Services		86.6		
Travel				
Contractual		3.4		
Commodities		1.0		
Equipment		3.6		
Other				
Total Cost		94.6		
FUNDING SOURCE FOR TOTAL COST				
Federal Receipts 1002				
G.F. Match 1003				
General Fund 1004		94.6		
I-A Receipts 1007				
CIP Receipts 1061				
Other				
Justification The Anchorage Office of Public Advocacy presently has four attorney positions devoted to criminal defense. These attorneys are also handling several major cases outside the Anchorage area as staff coverage and travel is more cost effective than contracting major cases to private attorneys in rural areas. Current caseloads indicate that these four attorneys cannot absorb the additional cases which would result from this legislation. It is necessary that an additional attorney be added to the Anchorage staff to cover the resultant increased caseload.				

6/1/02440.a/1

Request For New Position

AGENCY ADMINISTRATION

ORU Office of Public Advocacy

COMPONENT Office of Public Advocacy

FY 93

Page 3 of 4
Revised Date: _____

Position Title Legal Secretary I		No. of Positions 1	Range / Step 10/A	Barg. Unit GC
Time Status PFT	Staff Months 12.0	Location Anchorage-EDA		Election District 8
TYPE OF EXPENDITURE		AMOUNT		
Salary		25.1		
Benefits		12.0		
Premium Pay				
Other				
Total Personal Services		37.1		
Travel				
Contractual (Office Space)		2.7		
Commodities		1.0		
Equipment		7.4		
Other				
Total Cost		48.2		
FUNDING SOURCE FOR TOTAL COST				
Federal Receipts	1002			
G.F. Match	1003			
General Fund	1004	48.2		
I-A Receipts	1007			
CIP Receipts	1061			
Other				
Justification The Anchorage Office of Public Advocacy presently has three legal secretary positions providing clerical support, 15 professional positions, six VISTA volunteers, and the VGAL program. The addition of an attorney with a full caseload necessitates the addition of another secretary. The clerical workload generated by an additional attorney cannot be absorbed by the current clerical staff.				

6/1/02440.a/2

Request For New Position

AGENCY ADMINISTRATION
 BRU Office of Public Advocacy
 COMPONENT Office of Public Advocacy

FY 93

Page 4 of 4
 Revised Date: _____

DEPARTMENT OF LAW

CRIMINAL DIVISION

April 30, 1992

5-2-92
WALTER J. HICKEL, GOVERNOR

3FC-92
REPLY TO: Adams Amend

CRIMINAL DIVISION CENTRAL OFFICE
P.O. BOX KC
JUNEAU, ALASKA 99811-0310
PHONE: (907) 465-3428

OFFICE OF SPECIAL PROSECUTIONS
AND APPEALS
1031 WEST 4TH AVENUE, SUITE 318
ANCHORAGE, ALASKA 99501-5993
PHONE: (907) 279-7424

The Honorable Al Adams
Alaska State Senate
P.O. Box V
Juneau, AK 99811

Re: Proposed venue amendment to CSSB 343 (Jud)

Dear Senator Adams:

This is in response to a request by your staff, and to questions posed by you during Judiciary Committee hearings, that I suggest language to amend SB 343 so as to establish that venue in criminal conspiracy cases is not based on the location of an overt act committed in furtherance of the conspiracy.

You commented during the Judiciary Committee hearings that you believed that courts often set venue in conspiracy cases in the location where one of the overt acts occurred. You were concerned that a rural resident in Barrow, who enters into a conspiracy there but who commits an overt act in Anchorage, might have to be tried before an urban jury.

I have not researched the question of how other courts establish venue in criminal cases. If you wish to guarantee that venue will not be based on the location of overt acts, that should be done statutorily. I do not believe that such a provision will diminish the effectiveness of this legislation.

Under AS 22.10.030, venue in Alaska is established by court rule. To meet your concerns, it would be possible to add, on page two of the draft dated 3/19/92, a new subsection (h) to AS 11.31.120, to read:

(h) Notwithstanding AS 22.10.030, venue in actions in which the crime of conspiracy is alleged to have been committed may not be based solely on the location of overt acts done in furtherance of the conspiracy.

This language would preclude the courts from basing venue decisions solely on the location of overt acts. Instead, the courts could set venue based on the place where the conspirators

The Honorable Al Adams
Alaska State Senate

April 30, 1992
Page 2

entered into the criminal agreement, the place where the target offense was attempted or committed, where other related crimes may have been committed, or any other factors the court determines to be appropriate. Under this proposed amendment, if criminal agreements or other crimes committed by the conspirators take place in different judicial districts, or if there are other grounds that would support venue in more than one district, the courts would not be prohibited from taking into account where overt acts were committed in deciding among possible locations for venue, as long as that was not the sole basis for setting venue.

I would be happy to discuss this further with you or your staff at your convenience.

Very truly yours,

CHARLES E. COLE
ATTORNEY GENERAL

By: Dean J. Guaneli
Dean J. Guaneli
Assistant Attorney General &
Criminal Division Administrator

DJG:jf

cc: The Honorable Rick Halford
Alaska State Senate

AMENDMENT

OFFERED IN THE SENATE
TO: CSSB 343 (JUDICIARY)

BY SENATOR POURCHOT

PAGE 2, AFTER LINE 31:

INSERT A NEW SUBSECTION (H) TO AS 11.31.120, TO READ:

(H) NOTWITHSTANDING AS 22.10.030, VENUE IN ACTIONS IN WHICH THE CRIME OF CONSPIRACY IS ALLEGED TO HAVE BEEN COMMITTED MAY NOT BE BASED SOLELY ON THE LOCATION OF OVERT ACTS DONE IN FURTHERANCE OF THE CONSPIRACY.

Alaska State Legislature

Sen. Rick Halford, *Chair*
Sen. Pat Rodey, *Vice-Chair*
Sen. Al Adams, *Member*
Sen. Virginia Collins, *Member*
Sen. Steve Frank, *Member*

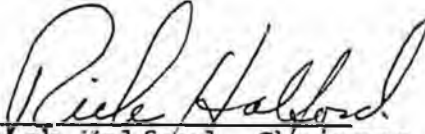


Senate Judiciary Committee

Letter Of Intent

The Senate Judiciary Committee does not support the fiscal notes from the Public Defender Agency and the Office of Public Advocacy relating to Judiciary Committee Substitute for Senate Bill 343.

It has been the experience of the federal prosecutor that when an individual is faced with being prosecuted for committing a crime, in addition to also being prosecuted with conspiracy to commit that crime, the individual is more motivated to plead his case and therefore adjudicate more swiftly. This is consistent with the fiscal note from the Department of Law.


Rick Halford, *Chairman*
Senate Judiciary Committee

BILL NO: CSSB 343(JUD)

DATE: April 29, 1992

TITLE: "An Act relating to
the crime of conspiracy"

CONTACT: Gayle A. Horetski
Deputy Commissioner
465-4322

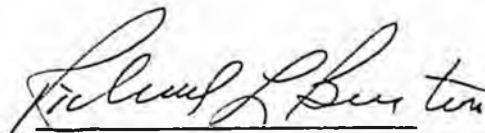
CSSB 343(JUD) creates the new crime of "conspiracy". An offender commits this crime if:

1. with intent to commit a "serious felony offense",
2. the offender agrees with one or more others to commit the offense, and
3. the offender or one of the others performs an overt act in furtherance of the conspiracy.

The offenses for which a conspiracy prosecution could be brought are listed in section 1, proposed AS 11.31.120(g), page 2, lines 27-31, and include unclassified or class A felonies against a person and unclassified, class A, or class B felonies involving controlled substances.

The Department of Public Safety supports CSSB 343(JUD). Adoption of this bill will provide Alaska law enforcement officers and prosecutors with a valuable tool which is available to law enforcement in the federal system and in most other states. If sufficient evidence of the conspiracy is obtained, charges may be filed and arrests made before the conspirators actually commit the underlying planned serious felony offense.

I urge the Legislature's prompt and favorable consideration of this bill.



Richard L. Burton
Commissioner

Alaska State Legislature

Senate

Office of The Majority Leader

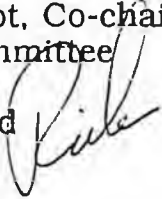
Official Business

Rick Halford
P.O. Box V
State Capitol
Juneau, Alaska 99911
Phone (907) 465-4958

P. O. Box 190
Chugiak, Alaska 99567
(907) 694-4958

MEMORANDUM

TO: Senator Pat Pourchot, Co-chair
Senate Finance Committee

FROM: Senator Rick Halford 

DATE: March 19, 1992

SUBJECT: Scheduling of SB 343 -- "An act relating to the crime of conspiracy."

Senate Bill 343 has passed out of the Judiciary Committee and is now in the Finance Committee. Please schedule this bill for a hearing at your earliest convenience.

When enacted, this legislation will provide our law enforcement officers and prosecutors with a valuable tool that will allow for the prosecution of a crime before the actual crime is committed. Thus, charges may be filed and arrests made once sufficient evidence is obtained. This bill will also be pivotal in our fight against drugs as it will enable our state to prosecute entire drug organizations rather than just the pushers.

Thank you for your consideration in scheduling this bill.

FRANK H. MURKOWSKI
ALASKA

COMMITTEES:

SELECT COMMITTEE ON INTELLIGENCE (VICE CHAIRMAN)
ENERGY AND NATURAL RESOURCES
FOREIGN RELATIONS
VETERANS' AFFAIRS
SELECT COMMITTEE ON INDIAN AFFAIRS

United States Senate

WASHINGTON, DC 205 10-0707
(202) 274 8965

February 28, 1991

The Honorable Rick Halford
Alaska State Legislature
State Capitol
Juneau, Alaska 99801-1182

Dear Senator Halford:

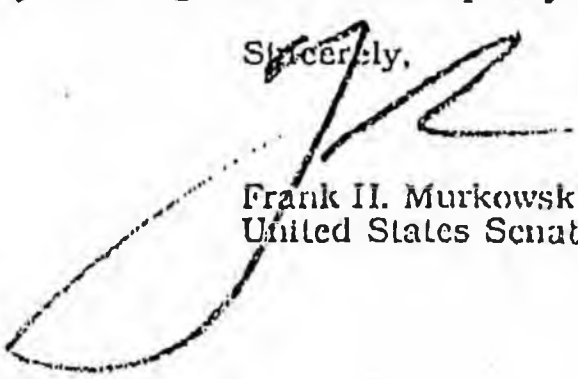
When I had the opportunity to speak before the State Legislature earlier this month, I expressed my deep concern about the escalation of drug activity in Alaska. We must recognize that the weakness of our state's drug laws sends an unfortunate message to those who would traffic in illegal drugs. I applaud your efforts to address this problem by introducing legislation calling for a state conspiracy law. The passage of such a law should dispel any notion drug organizations may have that Alaska is a safe haven for their illicit operations.

It is time to give law enforcement in Alaska the tools necessary to break the criminal organizations that prey on our youth. Your legislation is an important step toward achieving that goal. The enactment of a state conspiracy law would allow us to bring down entire drug organizations rather than just prosecuting the pushers who are easily replaced.

We cannot simply rely upon the federal criminal justice system to deal with the rise of criminal organizations in Alaska. While federal conspiracy laws play a significant role in combatting criminal organizations, we must give the state's law enforcement community the ability to use effectively their valuable resources to stem the tide of drugs washing up on Alaska's shores. We must make every effort to ensure that state and local law enforcement can take the steps necessary to adequately protect our youth and our communities.

I am hopeful that the Legislature will act quickly to provide for this protection by enacting a criminal conspiracy statute.

Sincerely,


Frank H. Murkowski
United States Senator

277 WEST 2TH AVENUE, D
ANCHORAGE, AK 99513 7
(907) 271 3735

101 1ST AVENUE, BUS
FAIRBANKS, AK 99701-6
(907) 456-0233

P.O. BOX 21647
JUNEAU, AK 99802-16
(907) 580-7400

130 TRADING BAY ROAD, SUITE
KINCAID, AK 99811 771
(907) 203 5000

109 MAIN STREET
KETCHIKAN, AK 99901 64
(907) 225 6000

Alaska Association Chiefs of Police



February 21, 1992

Senator Rick Halford
Alaska State Legislature
State Capitol
Juneau, Alaska 99801-1182

Dear Senator Halford.

On behalf of the Alaska Association of Chiefs of Police, I would like to offer our support of Senate Bill 343, an act relating to conspiracy. For many years, law enforcement has asked that the legislature pass such a law.

We believe that a conspiracy law is an effective way to combat crime. Most states have conspiracy laws, as does the federal government. Alaska also needs such laws, and we urge the passage of Senate Bill 343.

If we can be of any assistance, please contact me at 786-8552.

Sincerely,

A handwritten signature in cursive script that reads "Duane S. Udland".

Duane S. Udland, President
Alaska Association of Chiefs of Police
4501 South Bragaw
Anchorage, Alaska 99507