

**ALASKA LEGISLATURE**

**1121**

**HOUSE and SENATE FINANCE COMMITTEE FILES, 1993-1994**

195

Renumber the following bill sections accordingly.

Page 8, line 24:

Delete "sec. 3"

Insert "sec. 4"

Delete "sec. 4"

Insert "sec. 5"

FISCAL NOTE

2/17/93

BILL NO. SB 54

STATE OF ALASKA  
1993 LEGISLATIVE SESSION

TCO then FFA

Revision Date: \_\_\_\_\_  
 Title: "An Act relating to violations of laws by juveniles; and providing . . ."  
 Sponsor: Senators Halford, Phillips, et al.  
 Requestor: Senate Judiciary

Department Affected: Administration  
 BRJ: Office of Public Advocacy  
 Component: Office of Public Advocacy

COMPONENT SERIAL NO. 43

EXPENDITURES/REVENUES:

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	112.5	115.9	119.4	123.0	126.7	130.5
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
<b>TOTAL OPERATING</b>	<b>112.5</b>	<b>115.9</b>	<b>119.4</b>	<b>123.0</b>	<b>126.7</b>	<b>130.5</b>

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:

1002 Federal Receipts	0	0	0	0	0	0
1003 GF Match	0	0	0	0	0	0
1004 GF	112.5	115.9	119.4	123.0	126.7	130.5
1005 GF/Program Receipts	0	0	0	0	0	0
1006 GF/MHTIA	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
<b>TOTAL</b>	<b>112.5</b>	<b>115.9</b>	<b>119.4</b>	<b>123.9</b>	<b>126.7</b>	<b>130.5</b>

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 (FY93) impact: None

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

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

Phone: 274-1684  
 Date: \_\_\_\_\_

Approved by Commissioner: Nancy Bear Usera  
 Agency: Administration

Date: 2/17/93

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**FISCAL NOTE**

**STATE OF ALASKA  
1993 LEGISLATIVE SESSION**

**BILL NO. SB 54**

**ANALYSIS:** (continued)

This bill will automatically waive all juveniles charged with unclassified and Class A felonies into adult court. Currently, the most serious cases are waived into the adult system. Office of Public Advocacy (OPA) is now able to provide representation to nonwaiver 16 and 17 year olds charged with unclassified and Class A felonies through staff civil lawyers. Automatic waiver of such individuals will cause a significant increase in costs to the criminal justice system. For example, cases involving robbery in the first degree, a Class A felony, are now commonly disposed of within the juvenile system.

Automatic waiver of all 16 and 17 year olds charged with unclassified and Class A felonies will necessitate the immediate assignment of criminal defense counsel to each of these defendants. It is not possible to anticipate how changes in charging decisions by prosecuting authorities might affect the numbers of such cases. For example, merely changing a charge from robbery in the first degree to robbery in the second degree will mean that a particular juvenile remains in the juvenile justice system. OPA's estimate is that it will receive approximately 15 additional major felony cases as a result of passage of this bill at an average estimated cost of \$7,500.

FISCAL NOTE

2/17/93

BILL NO. SB 54

STATE OF ALASKA  
1993 LEGISLATIVE SESSION

JUD then FIC

Revision Date: \_\_\_\_\_

Department Affected: Administration

Title: 'An Act relating to violations of laws

BRU: Public Defender Agency

by juveniles . . .

Component: Public Defender Agency

Sponsor: Sen. Halford, Phillips, Leman, Taylor, Miller

Requestor: \_\_\_\_\_

COMPONENT SERIAL NO. 1631

EXPENDITURES/REVENUES:

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	130.5	134.4	138.4	142.6	146.9	151.3
TRAVEL	5.0	5.2	5.4	5.6	5.8	6.0
CONTRACTUAL	7.5	7.7	7.9	8.1	8.3	8.5
SUPPLIES	4.0	4.1	4.2	4.3	4.4	4.5
EQUIPMENT	8.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL OPERATING</b>	<b>155.0</b>	<b>151.4</b>	<b>155.9</b>	<b>160.6</b>	<b>165.4</b>	<b>170.3</b>

CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
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REVENUE FUND SOURCE:	0.0	0.0	0.0	0.0	0.0	0.0
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FUNDING:

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	155.0	151.4	155.9	160.6	165.4	170.3
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1006 GF/MHTIA	0.0	0.0	0.0	0.0	0.0	0.0
OTHER	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL</b>	<b>155.0</b>	<b>151.4</b>	<b>155.9</b>	<b>160.6</b>	<b>165.4</b>	<b>170.3</b>

POSITIONS:

FULL-TIME	0.0	0.0	0.0	0.0	0.0	0.0
PART-TIME	4.0	4.0	4.0	4.0	4.0	4.0
TEMPORARY	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of current year (FY93) impact: \_\_\_\_\_

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

Prepared by: John Salami, Public Defender

Phone: 279-7541

Division: Public Defender Agency

Date: \_\_\_\_\_

Approved by Commissioner: Nancy Bear Usara

Date: 2/12/93

Agency: Administration

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FISCAL NOTE

STATE OF ALASKA  
1993 LEGISLATIVE SESSION

BILL NO. SB 54

ANALYSIS: (continued)

Introduction

This bill provides that all minors 16 years of age or older who are charged with unclassified or Class A felony offenses and any charges joined with those offenses will no longer be handled by the juvenile delinquency system, but rather will be prosecuted in superior court in the same manner as an adult.

Fiscal Impact

This law will result in an increase in serious felony cases for the Alaska Public Defender Agency. In the current system, most juvenile offenders admit (the equivalent of pleading guilty or no contest) once formally charged in a delinquency petition. Under this proposed bill, both juveniles and defense lawyers will take a very different approach. Lawyers will advise juveniles 16 to 18 years old that they have absolutely no opportunity to prove that they can be rehabilitated even if they have never been in trouble before and in addition, if convicted under the adult sentencing statutes will be facing mandatory sentences of at least 5 years in an adult jail setting under current Alaska presumptive sentencing law. With these kinds of stakes there will be no reason not to contest every aspect of the charge. Currently, very few trials are held in juvenile court. These offenders will be forced to litigate pre-trial and trial issues before judges and juries as deemed appropriate.

In fiscal year 1992 the Alaska Public Defender Agency handled 500 juvenile delinquency cases. It is unknown how many of those cases included 16 to 18 year olds with A or unclassified felonies. The Fairbanks Office of the Public Defender Agency predicts 15 to 20 such cases a year out of its juvenile cases. The Anchorage office will see at least that many. Outer offices and bush locations will add more "automatic waiver" cases to the Public Defender caseload. The following is the Public Defender's best estimate as to the additional resources needed to litigate these matters.

Budget Analysis

100	Personal Services:	
	1/2 Attorney III (Anchorage)	36.5
	1/2 Attorney III (Fairbanks)	41.5
	1/2 Paralegal Assistant II (Anchorage)	25.8
	1/2 Paralegal Assistant II (Fairbanks)	<u>26.7</u>
	TOTAL	130.5
200	Travel:	
	Professional and Experts	5.0
300	Contractual:	
	Expert Witnesses, office space	7.5
400	Supplies:	4.0
500	Equipment (one time)	<u>8.0</u>
	TOTAL	155.0

Position Title Paralegal Assistant II		No. of Positions 2	Range / Step 16/A	Barg. Unit GGU
Time Status PPT	Staff Months 12.0	Location Anchorage/Fairbanks		Election District 7 20
TYPE OF EXPENDITURE		AMOUNT		
Salary		37,170.0		
Benefits		15,274.0		
Premium Pay				
Other				
Total Personal Services		67,925.0	67,925.0	
Travel			0.0	½ Attorney III (Anchorage)
Contractual			0.0	
Commodities			2.0	½ Attorney III (Fairbanks)
Equipment			4.0	½ Paralegal Assistant II (Anchorage)
Other				
Total Cost			73,925.0	½ Paralegal Assistant II (Fairbanks)
FUNDING SOURCE FOR TOTAL COST				
Federal Receipts	1002			
G.F. Match	1003		73,925.0	
General Fund	1004			
I-A Receipts	1007			
CIP Receipts	1061			
Other				

**Justification**  
 In fiscal year 1992, the Alaska Public Defender Agency handled 500 juvenile delinquency cases. It is unknown how many of those cases included 16 to 18 year olds with A or unclassified felonies. The Fairbanks Office of the Public Defender Agency predicts 15 to 20 such cases a year out of its juvenile cases. The Anchorage office will see at least that many. Outer offices and bush locations will add more "automatic waiver" cases to the Public Defender caseload. The following is the Public Defender's best estimate as to the additional resources needed to litigate these matters:

- ½ Attorney III (Anchorage)
- ½ Attorney III (Fairbanks)
- ½ Paralegal Assistant II (Anchorage)
- ½ Paralegal Assistant II (Fairbanks)

9/fy94/17/04121b.kp

# Request For New Position

AGENCY ADMINISTRATION  
 BRU Public Defender Agency  
 COMPONENT Public Defender Agency

FY 94

Page 3 of 4  
 Revised Date: \_\_\_\_\_

Position Title Attorney III		No. of Positions 2	Range / Step 22/A	Barg. Unit PX
Time Status PPT	Staff Months 12.0	Location Anchorage/Fairbanks		Election District 7 20
TYPE OF EXPENDITURE		AMOUNT		
Salary	57,156.0	<b>Justification</b> In fiscal year 1992, the Alaska Public Defender Agency handled 500 juvenile delinquency cases. It is unknown how many of those cases included 16 to 18 year olds with A or unclassified felonies. The Fairbanks Office of the Public Defender Agency predicts 15 to 20 such cases a year out of its juvenile cases. The Anchorage office will see at least that many. Outer offices and bush locations will add more "automatic waiver" cases to the Public Defender caseload. The following is the Public Defender's best estimate as to the additional resources needed to litigate these matters:  ½ Attorney III (Anchorage)  ½ Attorney III (Fairbanks)  ½ Paralegal Assistant II (Anchorage)  ½ Paralegal Assistant II (Fairbanks)		
Benefits	20,888.0			
Premium Pay				
Other				
<b>Total Personal Services</b>	<b>78,044.0</b>			
Travel	5,000.0			
Contractual	7,500.0			
Commodities	2,000.0			
Equipment	4,000.0			
Other				
<b>Total Cost</b>	<b>96,544.0</b>			
FUNDING SOURCE FOR TOTAL COST				
Federal Receipts	1002			
G.F. Match	1003			
General Fund	1004	96,544		
I-A Receipts	1007			
CIP Receipts	1061			
Other				

9/FY94/17/04121b.kp

# Request For New Position

AGENCY ADMINISTRATION

BRU Public Defender Agency

COMPONENT Public Defender Agency

FY 94

Page 4 of 4  
Revised Date: \_\_\_\_\_

# FISCAL NOTE

No. 3

STATE OF ALASKA  
1993 LEGISLATIVE SESSION

Bill Version: SB 54  
(S) Publish Date: 2-19-93

Revision Date: 2-5-93 Dept. Affected: Department of Corrections  
 Title: "An Act relating to violations of laws by Juveniles...." BRU: Institutions  
 Component: Institutions  
 Sponsor: Senator Halford  
 Requestor: Senator Halford COMPONENT SERIAL NO. 1860

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

OPERATING	FY94	FY95	FY96	FY97	FY98	FY99
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	-0-	-0-	-0-	-0-	-0-	-0-

<b>CAPITAL</b>						
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<b>REVENUE FUND SOURCE:</b>						
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**FUNDING:** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	-0-	-0-	-0-	-0-	-0-	-0-

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY93) impact: \$ -0-

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

The fiscal impact of this legislation is minimal since the department already receives a number of adjudicated delinquents.

Prepared by: Dana LaTour, Special Assistant  
 Division: Commissioner's Office  
 Approved by Commissioner: Lloyd G. Rupp  
 Agency: Department of Corrections

Phone: 465-3376  
 Date: 2-5-93  
 Date: 2-5-93

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FISCAL NOTE

STATE OF ALASKA  
1993 LEGISLATIVE SESSION

BILL NO. CSSB 54 (JUD)

Revision Date: \_\_\_\_\_  
 Title: 'An Act relating to violations of laws by juveniles: and providing . . .'  
 Sponsor: Senators Halford, Phillips, et al.  
 Requestor: Senate Finance

Department Affected: Administration  
 BRU: Office of Public Advocacy  
 Component: Office of Public Advocacy

COMPONENT SERIAL NO. 43

EXPENDITURES/REVENUES:

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	112.5	115.9	119.4	123.0	126.7	130.5
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	112.5	115.9	119.4	123.0	126.7	130.5

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:

1002 Federal Receipts	0	0	0	0	0	0
1003 GF Match	0	0	0	0	0	0
1004 GF	112.5	115.9	119.4	123.0	126.7	130.5
1005 GF/Program Receipts	0	0	0	0	0	0
1006 GF/MHTIA	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	112.5	115.9	119.4	123.9	126.7	130.5

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 (FY93) impact: None

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

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

Phone: 274-1684  
 Date: \_\_\_\_\_

Approved by Commissioner: Nancy Bear Usera  
 Agency: Administration

Date: 2/24/93

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FISCAL NOTE

STATE OF ALASKA  
1993 LEGISLATIVE SESSION

BILL NO. CSSB 54 (JUD)

ANALYSIS: (continued)

This bill will automatically waive all juveniles charged with unclassified and Class A felonies into adult court. Currently, the most serious cases are waived into the adult system. Office of Public Advocacy (OPA) is now able to provide representation to nonwaiver 16 and 17 year olds charged with unclassified and Class A felonies through staff civil lawyers. Automatic waiver of such individuals will cause a significant increase in costs to the criminal justice system. For example, cases involving robbery in the first degree, a Class A felony, are now commonly disposed of within the juvenile system.

Automatic waiver of all 16 and 17 year olds charged with unclassified and Class A felonies will necessitate the immediate assignment of criminal defense counsel to each of these defendants. It is not possible to anticipate how changes in charging decisions by prosecuting authorities might affect the numbers of such cases. For example, merely changing a charge from robbery in the first degree to robbery in the second degree will mean that a particular juvenile remains in the juvenile justice system. OPA's estimate is that it will receive approximately 15 additional major felony cases as a result of passage of this bill at an average estimated cost of \$7,500.

FISCAL NOTE

STATE OF ALASKA  
1993 LEGISLATIVE SESSION

BILL NO. CSSB 54 (Jud)

Revision Date: \_\_\_\_\_  
Title: \*An Act relating to violations of laws  
by juveniles . . .  
Sponsor: Sen. Halford, Phillips, Leman, Taylor, Miller  
Requestor: (S) Finance

Department Affected: Administration  
BRU: Public Defender Agency  
Component: Public Defender Agency  
COMPONENT SERIAL NO. 1631

EXPENDITURES/REVENUES:

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	130.5	134.4	138.4	142.6	146.9	151.3
TRAVEL	5.0	5.2	5.4	5.6	5.8	6.0
CONTRACTUAL	7.5	7.7	7.9	8.1	8.3	8.5
SUPPLIES	4.0	4.1	4.2	4.3	4.4	4.5
EQUIPMENT	8.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	155.0	151.4	155.9	160.6	165.4	170.3

CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
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REVENUE FUND SOURCE:	0.0	0.0	0.0	0.0	0.0	0.0
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FUNDING:

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	155.0	151.4	155.9	160.6	165.4	170.3
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1006 GF/MHTIA	0.0	0.0	0.0	0.0	0.0	0.0
OTHER	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	155.0	151.4	155.9	160.6	165.4	170.3

POSITIONS:

FULL-TIME	0.0	0.0	0.0	0.0	0.0	0.0
PART-TIME	4.0	4.0	4.0	4.0	4.0	4.0
TEMPORARY	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of current year (FY93) impact: \_\_\_\_\_

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

Prepared by: John Salemi, Public Defender  
Division: Public Defender Agency

Phone: 279-7541  
Date: \_\_\_\_\_

Approved by Commissioner: Nancy Bear Usery  
Agency: Administration

Date: 2/24/93

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## FISCAL NOTE

STATE OF ALASKA  
1993 LEGISLATIVE SESSION

BILL NO. CSSB 54 (Jud)

### ANALYSIS: (continued)

#### Introduction

This bill provides that all minors 16 years of age or older who are charged with unclassified or Class A felony offenses and any charges joined with those offenses will no longer be handled by the juvenile delinquency system but rather will be prosecuted in superior court in the same manner as an adult.

#### Fiscal Impact

This law will result in an increase in serious felony cases for the Alaska Public Defender Agency. In the current system, most juvenile offenders admit (the equivalent of pleading guilty or no contest) once formally charged in a delinquency petition. Under this proposed bill, both juveniles and defense lawyers will take a very different approach. Lawyers will advise juveniles 16 to 18 years old that they have absolutely no opportunity to prove that they can be rehabilitated even if they have never been in trouble before and in addition, if convicted under the adult sentencing statutes will be facing mandatory sentences of at least 5 years in an adult jail setting under current Alaska presumptive sentencing law. With these kinds of stakes there will be no reason not to contest every aspect of the charge. Currently, very few trials are held in juvenile court. These offenders will be forced to litigate pre-trial and trial issues before judges and juries as deemed appropriate.

In fiscal year 1992 the Alaska Public Defender Agency handled 500 juvenile delinquency cases. It is unknown how many of those cases included 16 to 18 year olds with A or unclassified felonies. The Fairbanks Office of the Public Defender Agency predicts 15 to 20 such cases a year out of its juvenile cases. The Anchorage office will see at least that many. Outer offices and bush locations will add more 'automatic waiver' cases to the Public Defender caseload. The following is the Public Defender's best estimate as to the additional resources needed to litigate these matters.

#### Budget Analysis

100	Personal Services:	
	1/2 Attorney III (Anchorage)	36.5
	1/2 Attorney III (Fairbanks)	41.5
	1/2 Paralegal Assistant II (Anchorage)	25.8
	1/2 Paralegal Assistant II (Fairbanks)	<u>26.7</u>
	TOTAL	130.5
200	Travel:	
	Professional and Experts	5.0
300	Contractual:	
	Expert Witnesses, office space	7.5
400	Supplies:	4.0
500	Equipment (one time)	<u>8.0</u>
	TOTAL	155.0

Position Title		Attorney III	No. of Positions	2	Range / Step	22/A	Barg. Unit	PX
Time Status	PPT	Staff Months	12.0	Location	Anchorage/Fairbanks		Election District	7 20
TYPE OF EXPENDITURE			AMOUNT		Justification			
Salary		57,156.0			<p>In fiscal year 1992, the Alaska Public Defender Agency handled 500 juvenile delinquency cases. It is unknown how many of those cases included 16 to 18 year olds with A or unclassified felonies. The Fairbanks Office of the Public Defender Agency predicts 15 to 20 such cases a year out of its juvenile cases. The Anchorage office will see at least that many. Outer offices and bush locations will add more "automatic waiver" cases to the Public Defender caseload. The following is the Public Defender's best estimate as to the additional resources needed to litigate these matters:</p> <p>½ Attorney III (Anchorage)</p> <p>½ Attorney III (Fairbanks)</p> <p>½ Paralegal Assistant II (Anchorage)</p> <p>½ Paralegal Assistant II (Fairbanks)</p>			
Benefits		20,888.0						
Premium Pay								
Other								
Total Personal Services		78,044.0	78,044.0					
Travel			5,000.0					
Contractual			7,500.0					
Commodities			2,000.0					
Equipment			4,000.0					
Other								
Total Cost			96,544.0					
FUNDING SOURCE FOR TOTAL COST								
Federal Receipts1002								
G.F. Match1003								
General Fund1004			96,544					
I-A Receipts1007								
CIP Receipts1061								
Other								

9/leg93/05507.kp

# Request For New Position

AGENCY ADMINISTRATION

BRU Public Defender Agency

COMPONENT Public Defender Agency

FY 94

Page 3 of 4

Revised Date: \_\_\_\_\_

Position Title Paralegal Assistant II		No. of Positions 2	Range / Step 16/A	Barg. Unit GGU
Time Status PPT	Staff Months 12.0	Location Anchorage/Fairbanks		Election District 7 20
TYPE OF EXPENDITURE		AMOUNT		<b>Justification</b> In fiscal year 1992, the Alaska Public Defender Agency handled 500 juvenile delinquency cases. It is unknown how many of those cases included 16 to 18 year olds with A or unclassified felonies. The Fairbanks Office of the Public Defender Agency predicts 15 to 20 such cases a year out of its juvenile cases. The Anchorage office will see at least that many. Outer offices and bush locations will add more "automatic waiver" cases to the Public Defender caseload. The following is the Public Defender's best estimate as to the additional resources needed to litigate these matters:  ½ Attorney III (Anchorage)  ½ Attorney III (Fairbanks)  ½ Paralegal Assistant II (Anchorage)  ½ Paralegal Assistant II (Fairbanks)
Salary	37,170.0			
Benefits	15,274.0			
Premium Pay				
Other				
Total Personal Services	67,925.0	67,925.0		
Travel		0.0		
Contractual		0.0		
Commodities		2.0		
Equipment		4.0		
Other				
Total Cost		73,925.0		
FUNDING SOURCE FOR TOTAL COST				
Federal Receipts1002				
G.F. Match1003		73,925.0		
General Fund1004				
I-A Receipts1007				
CIP Receipts1061				
Other				

9/leg93/05507.kp

# Request For New Position

AGENCY ADMINISTRATION  
 BRU Public Defender Agency  
 COMPONENT Public Defender Agency

FY 94

Page 4 of 4  
 Revised Date: \_\_\_\_\_

FISCAL NOTE

No. 5

STATE OF ALASKA  
1993 LEGISLATIVE SESSION

Bill Version: SB 57

(S) Publish Date: 2-19-93

Revision Date: \_\_\_\_\_  
Title: An Act relating to violations of laws  
by juveniles . . .  
Sponsor: Sen. Halford, Phillips, Leman, Taylor, Miller  
Requestor: \_\_\_\_\_

Department Affected: Administration  
BRU: Public Defender Agency  
Component: Public Defender Agency

COMPONENT SERIAL NO. 1631

EXPENDITURES/REVENUES:

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	130.5	134.4	138.4	142.6	146.9	151.3
TRAVEL	5.0	5.2	5.4	5.6	5.8	6.0
CONTRACTUAL	7.5	7.7	7.9	8.1	8.3	8.5
SUPPLIES	4.0	4.1	4.2	4.3	4.4	4.5
EQUIPMENT	8.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL OPERATING</b>	<b>155.0</b>	<b>151.4</b>	<b>155.9</b>	<b>160.6</b>	<b>165.4</b>	<b>170.3</b>

CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
---------	-----	-----	-----	-----	-----	-----

REVENUE FUND SOURCE:	0.0	0.0	0.0	0.0	0.0	0.0
----------------------	-----	-----	-----	-----	-----	-----

FUNDING:

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	155.0	151.4	155.9	160.6	165.4	170.3
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1006 GF/MHTIA	0.0	0.0	0.0	0.0	0.0	0.0
OTHER	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL</b>	<b>155.0</b>	<b>151.4</b>	<b>155.9</b>	<b>160.6</b>	<b>165.4</b>	<b>170.3</b>

POSITIONS:

FULL-TIME	0.0	0.0	0.0	0.0	0.0	0.0
PART-TIME	4.0	4.0	4.0	4.0	4.0	4.0
TEMPORARY	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of current year (FY93) impact: \_\_\_\_\_

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

Prepared by: John Salemi, Public Defender  
Division: Public Defender Agency

Phone: 279-7541  
Date: \_\_\_\_\_

Approved by Commissioner: Nancy Bear Usura  
Agency: Administration

Date: 2/12/93

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FISCAL NOTE

STATE OF ALASKA  
1993 LEGISLATIVE SESSION

BILL NO. SB 54

ANALYSIS: (continued)

Introduction

This bill provides that all minors 16 years of age or older who are charged with unclassified or Class A felony offenses and any charges joined with those offenses will no longer be handled by the juvenile delinquency system but rather will be prosecuted in superior court in the same manner as an adult.

Fiscal Impact

This law will result in an increase in serious felony cases for the Alaska Public Defender Agency. In the current system, most juvenile offenders admit (the equivalent of pleading guilty or no contest) once formally charged in a delinquency petition. Under this proposed bill, both juveniles and defense lawyers will take a very different approach. Lawyers will advise juveniles 16 to 18 years old that they have absolutely no opportunity to prove that they can be rehabilitated even if they have never been in trouble before and in addition, if convicted under the adult sentencing statutes will be facing mandatory sentences of at least 5 years in an adult jail setting under current Alaska presumptive sentencing law. With these kinds of stakes there will be no reason not to contest every aspect of the charge. Currently, very few trials are held in juvenile court. These offenders will be forced to litigate pre-trial and trial issues before judges and juries as deemed appropriate.

In fiscal year 1992 the Alaska Public Defender Agency handled 500 juvenile delinquency cases. It is unknown how many of those cases included 16 to 18 year olds with A or unclassified felonies. The Fairbanks Office of the Public Defender Agency predicts 15 to 20 such cases a year out of its juvenile cases. The Anchorage office will see at least that many. Outer offices and bush locations will add more "automatic waiver" cases to the Public Defender caseload. The following is the Public Defender's best estimate as to the additional resources needed to litigate these matters.

Budget Analysis

100	Personal Services:	
	1/2 Attorney III (Anchorage)	36.5
	1/2 Attorney III (Fairbanks)	41.5
	1/2 Paralegal Assistant II (Anchorage)	25.8
	1/2 Paralegal Assistant II (Fairbanks)	<u>26.7</u>
	TOTAL	130.5
200	Travel:	
	Professional and Experts	5.0
300	Contractual:	
	Expert Witnesses, office space	7.5
400	Supplies:	4.0
500	Equipment (one time)	<u>8.0</u>
	TOTAL	155.0

Position Title Paralegal Assistant II		No. of Positions 2	Range / Step 16/A	Barg. Unit GGU
Time Status PPT	Staff Months 12.0	Location Anchorage/Fairbanks		Election District 7 20
TYPE OF EXPENDITURE		AMOUNT		<b>Justification</b> In fiscal year 1992, the Alaska Public Defender Agency handled 500 juvenile delinquency cases. It is unknown how many of those cases included 16 to 18 year olds with A or unclassified felonies. The Fairbanks Office of the Public Defender Agency predicts 15 to 20 such cases a year out of its juvenile cases. The Anchorage office will see at least that many. Outer offices and bush locations will add more "automatic waiver" cases to the Public Defender caseload. The following is the Public Defender's best estimate as to the additional resources needed to litigate these matters:  ½ Attorney III (Anchorage)  ½ Attorney III (Fairbanks)  ½ Paralegal Assistant II (Anchorage)  ½ Paralegal Assistant II (Fairbanks)
Salary	37,170.0			
Benefits	15,274.0			
Premium Pay				
Other				
<b>Total Personal Services</b>	<b>67,925.0</b>	<b>67,925.0</b>		
Travel		0.0		
Contractual		0.0		
Commodities		2.0		
Equipment		4.0		
Other				
<b>Total Cost</b>		<b>73,925.0</b>		
FUNDING SOURCE FOR TOTAL COST				
Federal Receipts 1002				
G.F. Match 1003		73,925.0		
General Fund 1004				
I-A Receipts 1007				
CIP Receipts 1061				
Other				

9/fy94/17/04121b.kp

# Request For New Position

AGENCY ADMINISTRATION

BRU Public Defender Agency

COMPONENT Public Defender Agency

FY 94

Page 3 of 4  
Revised Date: \_\_\_\_\_

Position Title Attorney III		No. of Positions 2	Range / Step 22/A	Barg. Unit PX
Time Status PPT	Staff Months 12.0	Location Anchorage/Fairbanks		Election District 7 20
TYPE OF EXPENDITURE		AMOUNT		
Salary	57,156.0			
Benefits	20,888.0			
Premium Pay				
Other				
Total Personal Services	78,044.0	78,044.0		
Travel		5,000.0	½ Attorney III (Anchorage)	
Contractual		7,500.0	½ Attorney III (Fairbanks)	
Commodities		2,000.0	½ Paralegal Assistant II (Anchorage)	
Equipment		4,000.0	½ Paralegal Assistant II (Fairbanks)	
Other				
Total Cost		96,544.0		
FUNDING SOURCE FOR TOTAL COST				
Federal Receipts	1002			
G.F. Match	1003			
General Fund	1004	96,544		
I-A Receipts	1007			
CIP Receipts	1061			
Other				
Justification				
In fiscal year 1992, the Alaska Public Defender Agency handled 500 juvenile delinquency cases. It is unknown how many of those cases included 16 to 18 year olds with A or unclassified felonies. The Fairbanks Office of the Public Defender Agency predicts 15 to 20 such cases a year out of its juvenile cases. The Anchorage office will see at least that many. Outer offices and bush locations will add more "automatic waiver" cases to the Public Defender caseload. The following is the Public Defender's best estimate as to the additional resources needed to litigate these matters:				

9/FY94/17/04121b.kp

# Request For New Position

AGENCY ADMINISTRATION

BRU Public Defender Agency

COMPONENT Public Defender Agency

FY 94

Page 4 of 4

Revised Date: \_\_\_\_\_

FISCAL NOTE

STATE OF ALASKA  
1993 LEGISLATIVE SESSION

Bill No. CSSB 54

Revision Date: \_\_\_\_\_ Department Affected: Alaska Court System  
 Title: An Act relating to violations of laws by juveniles... BRU: Trial Courts  
 Sponsor: Halford Components: \_\_\_\_\_  
 Requestor: \_\_\_\_\_ COMPONENT SERIAL NO. 768

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	15.4	15.4	15.4	15.4	15.4	15.4
TRAVEL						
CONTRACTUAL	24.5	24.5	24.5	24.5	24.5	24.5
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS & CLAIMS						
TOTAL OPERATING	39.9	39.9	39.9	39.9	39.9	39.9

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

REVENUE						
FUND SOURCE:						

FUNDING: (Thousands of Dollars)

1002 FEDERAL RECEIPTS						
1003 GF MATCH						
1004 GF	39.9	39.9	39.9	39.9	39.9	39.9
1005 GF/PROGRAM RECEIPTS						
1006 GF/MHTIA						
OTHER						
TOTAL	39.9	39.9	39.9	39.9	39.9	39.9

POSITIONS:

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

Estimate of current year (FY 93) impact: None

ANALYSIS: (Attach a separate page if necessary)

See attache I analysis.

Prepared by: C. S. Christensen III, Staff Counsel *CS* Phone: 264-8228  
 Division: Alaska Court System Date: 02/23/93

Approved by: Arthur H. Snowden, II, Administrative Director *AS* *CS*  
 Agency: Alaska Court System Date: 02/23/93

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

Alaska Court System  
CSSB 54 (JUD)

Under current Alaska law, 18 years is the age of majority for purposes of prosecution as an adult. AS 47.10.060 allows a juvenile to be waived to adult court for any delinquent act. Waiver is obtained through a formal court process initiated by the Department of Law. Historically, Law has petitioned for waiver only in cases involving murder. In FY 92, six juveniles were transferred to adult court through the waiver process.

CSSB 54 (JUD) proposes a presumptive waiver method for some minors 14 years of age and older. It enables the automatic prosecution of those minors in adult court for certain offenses. Figures from the Department of Health and Social Services indicate that if CSSB 54 (JUD) takes effect, approximately 28 additional juveniles per year would be subject to prosecution in adult court.

The court system would incur additional costs under CSSB 54 (JUD) primarily because there would be more trials, and most of those would be jury trials. While a minor charged in juvenile court has the right to a trial by jury, only three or four such jury trials take place in a typical year; the trial rate in juvenile court is a small fraction of the trial rate in adult court. Presumably this is because juveniles do not perceive the consequences of an adjudication of delinquency to be serious enough to warrant a full-blown trial and a jury. If a juvenile is subject to the consequences of an adult conviction (including a long sentence in an adult correctional facility, loss of civil rights, and a felony conviction record), many more will demand a trial and a jury. Since most of those charged under CSSB 54 (JUD) will be charged with crimes subject to a presumptive sentence, the incentive for a jury trial will be even stronger.

The charging of an additional 28 juveniles in adult court can be expected to result in approximately 10 additional jury trials each year. Felony trials typically vary in length from three to fifteen days, depending on the charge and the complexity, plus time spent in jury selection and deliberations. Assuming an average length of seven days, the expense would be \$24,500 in jury costs (70 days x 14 jurors at \$25 per day). 10 extra felony trials will also necessitate the use of a pro tem judge.

This legislation can also be expected to increase the number of jury trials in juvenile court. Since a second-time felony offender will be treated as an adult, juveniles will have an incentive to avoid a first conviction if possible, and thus will go to trial at a higher rate. Because the extent of this increase cannot be determined with any certainty, this note does not reflect those costs.

Alaska Court System  
Fiscal Analysis  
CSSB 54

Personal Services

	<u>Salary</u>	<u>Benefits</u>	<u>Total</u>
Pro Tem Superior Court Judge, Anchorage, PPT, 4.5 months	\$9,056	\$6,314	\$15,370

Contractual

Jury fees (70 days for 14 jurors at \$25 a day)			<u>24,500</u>
---	--	--	---------------

Estimated Total Cost

\$39,870

# FISCAL NOTE

**STATE OF ALASKA**  
**1994 LEGISLATIVE SESSION**

**BILL NO. HCS CS SB 54 (FIN)**

Revision Date: 02/14/94  
 Title: An Act relating to violations of laws by juveniles...  
 Sponsor: Sen. Halford / Rep. Porter  
 Requestor: \_\_\_\_\_

Dept. Affected: Alaska Court System  
 BRU: Trial Courts  
 Components: \_\_\_\_\_  
 COMPONENT SERIAL NO. 768

**EXPENDITURES/REVENUES** (Thousands of Dollars)

OPERATING EXPENDITURES	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
PERSONAL SERVICES	7.5	7.5	7.5	7.5	7.5	7.5
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS & CLAIMS						
<b>TOTAL OPERATING</b>	<b>7.5</b>	<b>7.5</b>	<b>7.5</b>	<b>7.5</b>	<b>7.5</b>	<b>7.5</b>

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

CHANGE IN REVENUES ( )						
------------------------	--	--	--	--	--	--

**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	7.5	7.5	7.5	7.5	7.5	7.5
1005 GF/Program Receipts						
1006 GF/MH:IA						
Other						
<b>TOTAL</b>	<b>7.5</b>	<b>7.5</b>	<b>7.5</b>	<b>7.5</b>	<b>7.5</b>	<b>7.5</b>

**POSITIONS**

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY 94) cost: \$ None

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

Prepared by: C. S. Christensen III, Staff Counsel Phone: 264-8228  
 Agency: Alaska Court System Date: 02/14/94

Approved by: Arthur H. Snowden, II, Administrative Director  
 Agency: Alaska Court System Date: 02/14/94

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**Alaska Court System**  
**Fiscal Analysis**  
**HCS CS SB 54 (FIN)**

**Personal Services**

The court system is requesting funding for overtime for clerks offices statewide. During FY 93, 1,878 childrens' proceedings were filed with the court system. Filings for FY 94 and subsequent fiscal years are expected to increase from the the FY 93 level. A substantial number of these cases will require additional file work. The current personal services authorization is not sufficient for the additional cost of overtime.

**\$7,500**

# DIVISION OF LEGAL SERVICES

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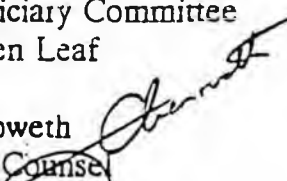
Juneau, Alaska 99801-2105

### MEMORANDUM

February 23, 1993

**SUBJECT:** CSSB 54 (Judiciary) -- sectional analysis (Work Order No. 8-LS0384\M)

**TO:** Senator Robin Taylor, Chair  
Senate Judiciary Committee  
ATTN: Ken Leaf

**FROM:** Jack Chenoweth  
Legislative Counsel 

This memo summarizes the provisions of CSSB 54 (Judiciary), reported by the committee on February 19.

**Bill section 1:** The amendment to AS 33.30.901 redefines the term "prisoner" for purposes of the chapter applicable to operation and management of prisoner facilities to remove the exclusion of "juveniles" from the existing definition and to affirmatively add juveniles "charged, prosecuted, or convicted as adults" to that definition.

**Bill section 2:** In AS 43.23.065(a)--not amended in this bill--permanent fund dividends are partially exempt from levy for debt execution. Under AS 43.23.065(b), that partial exemption is eliminated for the obligations that are enumerated; as to those, the entire dividend is available for levy and execution. The amendment made by this bill section opens the dividend to levy and collection under a writ of execution following entry of judgment in civil actions in these instances: (1) the minor's dividend, to the extent of \$2000, for the minor's commission of crime against a person (when the minor is adjudicated a delinquent or convicted) or for injury to real property; (2) the parent's or legal guardian's dividend(s), when payment is required due to a judgment entered under AS 34.50.020 (civil recovery authorized against parents of a minor who wilfully or maliciously damages property).

**Bill section 3:** The additions made by this bill section to AS 47.10 substantially revise and, for the most serious crimes, narrow the instances in which the superior court may waive jurisdiction and allow a minor to be prosecuted as an adult. The change directs that a minor 16 years of age or older be treated as an adult if charged with

an unclassified or class A felony or if charged with another crime against a person that is a felony having once been convicted or adjudicated on the basis of a minor's commission of a crime against a person. In addition, the change directs that a minor 14 years of age or older be treated as an adult when the charge against the minor is one of murder, attempted murder, or solicited murder; if the minor is charged with an unclassified or class A felony having once been convicted or adjudicated of another felony; or if charged with any felony having once been convicted as an adult of another felony. Other subsections add a series of procedural safeguards by which minors may test the validity of the charge and may be handled as delinquent minors subject to adjudication when the matter is not concluded with a conviction based on the principal felony charge.

**Bill section 4:** The changes made by this bill section revise the statute applicable to the sealing of court records involving minors. Sealing or closure of records may be directed only if the court finds that the minor has fulfilled all relevant court orders. Sealing or closure of records is to be denied if those orders have not been fully met or if the minor has been prosecuted as an adult in either one of the two circumstances identified.

**Bill section 5:** The bill section directs that, in conjunction with orders relating to delinquency adjudications, a court may not refuse to enter a restitution order for the benefit of a victim.

**Bill section 6:** The provision incorporates a procedure applicable if a minor, charged as an adult, is eventually convicted of an offense that the minor could not have served as the basis of a charge directing or permitting the treatment of the minor as an adult. The mechanism proposed would allow the state, nevertheless, to seek disposition and sentencing of the minor as an adult.

**Bill section 7:** The provision opens certain juvenile records to persons who, meeting one of the qualifications of the subsection, propose to undertake a civil action against the minor or the minor's parents or guardians as authorized by law.

**Bill section 8:** The addition in this bill section are intended to clarify that the limitations relating to minors in detention under this section are inapplicable to juveniles committed to the commissioner of corrections as prisoners under AS 33.30.

**Bill section 9:** The section amends the definitions applicable to AS 47.10 to incorporate a definition of the phrase "crime against a person."

**Bill section 10,** an uncodified provision, sets out the general rule that the changes made in the bill are to be applicable to matters arising after the bill's taking effect, except that previous adjudications and convictions may be considered by the prosecutors and the courts under the circumstances noted.

Senator Robin Taylor  
February 23, 1993  
Page 3

**Bill section 11** gives the measure a September 1, 1993, effective date.

JBC:pl  
93-119.plm

cc: Senator Rick Halford  
ATTN: John Shepherd

2-25-93  
failed 3-3

Amendment

By Rieger

To Amendment #1, CSSB 54 (Fin) 983



Delete all material after "... presentencing report  
for the court."

Renumber other sections accordingly



**ALASKA STATE LEGISLATURE**  
**Senator Rick Halford**  
*President of the Senate*

*While in Session:*  
State Capitol  
Juneau, AK 99801-1182  
907-465-4958

*While in Interim:*  
P.O. Box 670190  
Chugiak, AK 99567  
907-694-4958

**MEMORANDUM**

**TO:** Senator Robin Taylor, Chairman  
Senate Judiciary Committee

**FROM:** Senator Rick Halford

**DATE:** February 15, 1993

**SUBJECT:** Sponsor Statement -- CSSB 54, "An Act relating to violations of laws by juveniles, to the remedies for offenses and activities committed by juveniles and to records of those offenses, and to incarceration of juveniles who have been tried and convicted as adults; and providing for an effective date."

---

In recent years the frequency and violence of juvenile crime have escalated at an alarming rate. Although this problem is strongly influenced by numerous factors beyond direct government control, public confidence in the justice system's treatment of juvenile crime has substantially eroded in the face of two general perceptions. First, the system is overly concerned with the rights of juvenile offenders and not concerned enough with protecting the rights of actual and potential victims of juvenile crime. Second, given the escalation of juvenile crime, the current system seems to fail to provide the convincing threat of punishment necessary to deter juvenile delinquents from evolving into hardened criminals.

I have introduced Senate Bill 54 to require that juveniles sixteen years of age and older be prosecuted and sentenced as adults when charged with the most serious kinds of crimes - class A and unclassified felonies - or when charged with a felony class crime against a person if they have previously been adjudicated delinquent or convicted as an adult for a felony class crime against a person. Furthermore, CSSB 54 defines in statute the terms of detention and incarceration for juveniles who are charged and tried as adults by providing that they be delivered directly into the custody of the Department of Corrections. The criminal records of juveniles will not be

sealed regarding the unclassified or class A felony crimes for which they have been convicted as an adult, nor for their second adjudication or conviction for a felony crime against a person.

CSSB 54 also provides for new restitution measures designed to deter juvenile crime and arrest the normal pattern of juvenile criminal development at a less serious stage. At present, courts are not required to order juveniles to pay restitution for either violent crimes or property crimes. Because the names of juvenile delinquents are kept confidential, it is also virtually impossible to sue them for damages resulting from criminal activity. CSSB 54 will require courts to order juveniles to pay suitable damages for their crimes, permit victims access to the criminal records of juveniles who have injured them or damaged their property in order to pursue civil suits, and allow the permanent fund dividends of delinquents and their parent(s) or legal guardian(s) to be attached for payment of restitution or civil damages.

I strongly urge the expedient passage of Senate Bill 54 from your committee. It is time to reestablish the fear of real and inevitable punishment among juvenile offenders. At best, early intervention will deter delinquent children from becoming adult criminals. At worst, it will keep determined offenders off the streets and provide some relief to their victims. Thank you for your consideration of this legislation.



**ALASKA STATE LEGISLATURE**  
**Senator Rick Halford**  
*President of the Senate*

*While in Session:*  
State Capitol  
Juneau, AK 99801-1132  
907-465-4958

*While in Interim:*  
P.O. Box 670190  
Chugiak, AK 99567  
907-694-4958

**MEMORANDUM**

**TO:** Senator Drue Pearce, Co-Chairman  
Senate Finance Committee

**FROM:** Senator Rick Halford

A handwritten signature in cursive script that reads "Rick Halford".

**DATE:** February 18, 1993

**SUBJECT:** Request for Hearing -- CSSB 54, "An Act relating to violations of laws by juveniles, to the remedies for offenses and activities committed by juveniles and to records of those offenses, and to incarceration of juveniles who have been tried and convicted as adults; and providing for an effective date."

---

I have introduced Senate Bill 54 to provide for a number of major reforms in the treatment of juvenile offenders within the criminal justice system. SB 54 has passed the Senate Judiciary Committee and will be referred to Senate Finance on Friday, February 19. This is substantial legislation which bears the immediate attention of the Senate Finance Committee and I respectfully request that SB 54 be scheduled for a hearing before your committee at your earliest possible convenience.

Senate Bill 54 - Juvenile Crime - Definitions

- 1) **Unclassified felonies include:**
  - first and second degree murder
  - first degree attempted murder
  - first degree sexual assault
  - first degree sexual abuse of a minor
  - first degree misconduct involving a controlled substance
  - kidnapping
  
- 2) **Class A felonies include:**
  - attempted commission or solicitation to perform an unclassified felony other than first degree murder
  - attempted performance or solicitation to perform a crime defined outside AS 11 that carries an indefinite or life term
  - manslaughter
  - kidnapping (when certain affirmative defenses are employed)
  - first degree assault
  - first degree robbery
  - first degree arson
  - first degree escape
  - first degree misconduct involving weapons
  - criminal possession of explosives to commit murder or kidnapping
  - second degree misconduct involving a controlled substance
  - promoting prostitution in the first degree involving a person under 16 years of age
  - (outside the criminal code) violation of the Credit Union Act when certain officers receive deposits while the credit union is insolvent
  
- 3) **The term "crime against a person" is defined under AS 33.30.901. This statute states that "crimes against a person" consist of the crimes listed in AS 11.41. The felony class crimes defined in AS 11.41 for which a minor can be charged (e.g. not possible for minor to commit incest as presently defined) include:**
  - first and second degree murder
  - manslaughter
  - criminally negligent homicide
  - first, second, and third degree assault
  - kidnapping
  - first, second, and third degree sexual assault
  - first, second, and third degree sexual abuse of a minor
  - unlawful exploitation of a minor
  - first, second, and third degree robbery
  - extortion
  - coercion

**BILL NO:** CSSB 54

**DATE:** February 17, 1993

**TITLE:** "An Act relating to violations of laws by juveniles. . ."

**CONTACT:** C.E. Swackhammer  
Deputy Commissioner  
465-4322

**POSITION PAPER - Department of Public Safety**

Section 1 amends AS 12.55.045 Restitution, paragraph (a), by adding a defendant who is a minor to those individuals the court may order to make restitution to a victim.

Section 2 amends AS 33.30.901 Definitions, paragraph (11), to include a juvenile committed to the custody of the commissioner when the juvenile has been convicted as an adult.

Section 3 amends AS 34.50.020 Liability for the Destruction of Property by Minors, paragraph (a), to increase the civil damages from \$2,000.00 to \$5,000.00 against an unemancipated minor or who maliciously injures property belonging to a person, municipal corporation, association, village, school district, or religious or charitable organization.

Section 4 amends AS 43.23.065 Exemptions to Permanent Fund Dividends, paragraph (b), which permits the seizure of minor's permanent fund dividend check up to the value of \$5,000.00 if the minor is convicted of an act against a person which caused injury or minor's malicious or willful injury of real or personal property and also allows seizure of permanent fund dividend check of the parent, legal guardian, or person having legal custody of an unemancipated minor.

Section 5 adds a new subsection AS 47.10-010 which allow a minor 16 years of age or older to be tried as an adult if the minor committed an unclassified or class A felony or a crime against a person that is classified as a felony and the minor has previously adjudicated as delinquent or convicted as a adult as a result of an offense against a person classified as a felony and paragraph (G) c this section provides for the minor to be sentenced as an adult if convicted of the above listed crimes.

Section 6 amends AS 47.10.060 Waiver of Jurisdiction, which provides that the court may not seal the records of a criminal proceeding under AS 47.10.010(e)-(g)

Section 7 amends AD 47.10.080 Judgements and Orders, paragraph (b), by stating that the court may not refuse to make an order of restitution if the findings of delinquency is based on the offense which knowingly or intentionally injures real or personal property.

Section 8 adds a new section AS 47.10.080 provides if a minor was first prosecuted as an adult but convicted of an offense which was not included in the AS 47.10-010(e) if the minor should be treated as a minor.

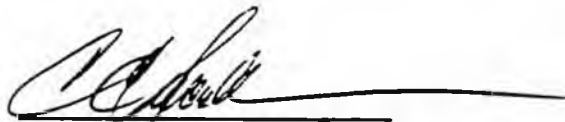
Section 9 amends AS 47.10-090 Records, by adding a new subsection which provides for records access to a victim of a crime against the persons real or personal property by a minor adjudicated delinquent.

Section 10 amends AS 47.10.190 Conditions Covering Detention, by adding that a minor does not need to be jailed apart from adults when the juvenile was convicted as an adult.

Section 11 amends AS 47.10.990 Definitions, by adding a definition of crime "Crime against a person" as having the meaning given by AS 33.30.901 (section 2, above).

Section 12 amends rule 21(b) Alaska Delinquency Rules, to provide for a jury of 12 persons if the juvenile request trial if the act the juvenile is accused of is punishable as a felony and for a trial jury of 6 if none of the acts the juvenile accused of is a felony under AS 11.

This legislation will increase the amount of investigative time only to the extent of requiring grand jury appearance by the investigating officer(s). It will not impact the thoroughness of the criminal investigation of a serious crime.



Richard L. Burton  
Commissioner

# ALASKA PEACE OFFICERS ASSOCIATION



Anchorage Chapter  
P. O. Box 103824  
Anchorage, AK 99510  
Phone: \_\_\_\_\_

February 17, 1993

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

Dear Senator Halford,

Alaska's current juvenile justice system has repeatedly demonstrated an inability to effectively deal with the violent and recidivent youthful offender. The time and energy of police-prosecutor resources designed under the current law to waive a juvenile into adult court has resulted in waiver of only a handful of these hardened juveniles even though violent crimes by Alaska's youth is on the increase. All too often when a particularly dangerous juvenile is waived into adult court the defendant then embarks upon a time consuming appeal as the state's case grows stale, witnesses memories fade, victims and their families grow cynical and police become involved in new cases.

Because SB 54 is tailored to address these shortcomings in the existing statutory fabric it is strongly supported by the Alaska Peace Officers Association.

Unlike House Bill 100, which would permit a juvenile who has been waived into adult court to appeal that finding--a flaw in the current law--SB 54 mandates *automatic* waiver for all 16 and 17 year old who commit Class A and unclassified felonies without the requirement that the state prove that the defendant is not amenable to treatment. This means there will be no court ruling to appeal, so precious resources can be focused on taking the defendant to trial on the merits of the offense shortly after the crime occurs.

Another major shortfall of HB 100 is that it is simply so complex a piece of legislation that it is unworkable by the officer on the street upon whose shoulders it will fall to enforce it. Will the officer who finds himself in the middle of a fast breaking investigation be able to ascertain the suspect's prior juvenile criminal history (which records are sealed)? Will he correctly elect to transport the suspect to the McLaughlin Youth Center or similar facility or to the police station for questioning? Will he be correct in his decision not to notify the suspect's parents? Do the Alaska Children's Rules apply?

SB 54 will eliminate all of these concerns for Alaska law enforcement officers who will need to know only one piece of information: What is the suspect's age?

In short, SB 54 will permit police to more effectively focus their limited resources on Alaska's most dangerous offender: the hardened chronic juvenile who commits a serious crime of violence.

Respectfully yours,

A handwritten signature in cursive script that reads "Linda Branchflower". The signature is written in dark ink and is positioned above the typed name and title.

Linda Branchflower  
Chairman-Legislative Committee  
Alaska Peace Officers Association



# Alaska State Legislature

## Senate

### Office of the Secretary

OFFICIAL BUSINESS

P.O. BOX V  
CAPITOL BUILDING  
JUNEAU, ALASKA 99811

FOR YOUR IMMEDIATE ATTENTION

DATE: 2-24-93

TO SENATE  
COMMITTEE: FINANCE (Kathy)  
Room 520

FROM: Office of the Senate Secretary

The attached fiscal note(s) relate to the following bill(s) pending in your Committee.

Please place the fiscal note inside the front cover of the blue or yellow committee folder.

SB 54

Violations of laws by juveniles; efd

Thank you.

SIGNATURE OF PERSON RECEIVING THIS NOTE

JR/s

**SENATE COMMITTEE REPORT**  
FIRST COMMITTEE OF REFERRAL

DATE: 1/22/93

FURTHER: FINANCE

Date of 5-Day Notice: 2-4-93  
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 2-19-93

JUDICIARY      Committee considered      SENATE BILL NO. 54

"An Act relating to violations of laws by juveniles; and providing for an effective date."

and recommends: and a majority of the committee recommends it be replaced with

replace with CS 5854 (JUD)  same title

attaches amendment(s) passed on previous  new title

and do pass  technical title change (HB only)

adopts \_\_\_\_\_ Letter of Intent

further referral to the Finance Committee

*3 FIN  
2 FIN's*

- do pass
- do not pass
- no recommendation
- individual recommendations

*Fiscal Note to CS - Earthcom*

Department	Date	Zero	FISCAL NOTE Fiscal
<i>TO SB ONLY</i>			
LAW	1/27	X	
TROOPERS	2/6/93	X	
CORRECTIONS	2/15	X	
ADM/PUBLIC AFF.	2/12	X	112.5
ADM/DEFENSE	4/12		1550


Appropriation No Fiscal Note       Governor's Bill with Previous Fiscal Notes (enter information above)

DO PASS:

OTHER RECOMMENDATIONS:

*Robert L. Taylor*  
*Richard Halphell*  
*Wesley Dowley*

*Signature R. Little Do Not Pass*

*Robert L. Taylor*  
Chair: Signature and Recommendation

**SB**

**56**

**HFIN**

**FILE**

(11)

Date Referred: May 5, 1994

HOUSE COMMITTEE REPORT  
FURTHER REFERRALS:

Date of Committee Action: 5/10/94

The FINANCE Committee considered:

CSSB 56(FIN)

CS FOR SENATE BILL NO. 56(FIN)

ADMINISTRATION OF BUDGET RESERVE FUND

"An act relating to repayment of money appropriated from the budget reserve fund."

RECOMMENDATIONS:

be replaced with CSSB 56 (FIN)

the same title

a new title

have attached amendments(s)

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/Date) \_\_\_\_\_

fiscal impact \_\_\_\_\_

fiscal note(s) Single STATE AF.

zero fiscal note \_\_\_\_\_

zero fiscal note(s) \_\_\_\_\_

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
		<i>Ronald J. Larson</i> Larson		X	
<i>Ben Grossinger</i> Grossinger	X	<i>Mark Hanky</i> Hanky		X	
		<i>Sean Parnell</i> Parnell		✓	
		<i>Tom Hoffmann</i> Hoffmann		✓	
		<i>Mike Navarre</i> Navarre		✓	
		<i>Kay Brown</i> Brown		✓	

*Ronald J. Larson*  
CHAIRMAN'S SIGNATURE  
L. J. LARSON

# FISCAL NOTE

STATE OF ALASKA  
1993 LEGISLATIVE SESSION

Bill Version: CSSB 56 (STA)

Revision Date: February 9, 1993

(S) Publish Date: \_\_\_\_\_

Title: "Relating to the Budget Reserve Fund, and Providing an Effective Date"

Dept. Affected: NONE

Sponsor: Rules, Legislative Budget and Audit

BRU: \_\_\_\_\_

Requestor: Senate State Affairs

Component: \_\_\_\_\_

COMPONENT SERIAL NO. \_\_\_\_\_

**Expenditures/Revenues:**

(Thousands of Dollars)

OPERATING	FY94	FY95	FY96	FY97	FY98	FY99
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	0	0	0	0	0	0

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

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

**FUNDING:**

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	0	0	0	0	0	0

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY93) impact \$ 0

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

date \_\_\_\_\_ Comte Aide (initial) \_\_\_\_\_

Changes in CSSB 56 (Fin) have no fiscal impact. This fiscal note is appropriate.

4/27/94 \_\_\_\_\_

Changes in SB 56 (STA) have no fiscal impact. This fiscal note is appropriate.  
2-10-93 date \_\_\_\_\_  
Comte Aide (initial) \_\_\_\_\_

Prepared by: Portia Babcock, Committee Aide  
Division: Senate State Affairs

Phone: 465-4522  
Date: 2-9-93

Approved by Commissioner: Senator Loren Lemman, Chairman  
Agency: Senate State Affairs

Date: 2-9-93

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**S B**

**5 6**

**SFIN**

**FILE**

# SENATE FINANCE COMMITTEE REPORT

DATE: 4/20/94

FURTHER:

DATE TURNED INTO OFFICE: 4-27-94

The Finance Committee considered SENATE BILL NO. 56

"An Act relating to the budget reserve fund established under art. IX, sec. 17, Constitution of the State of Alaska."

and recommends:

replace with \_\_\_\_\_ CS SB 56 (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 \_\_\_\_\_

*CS (Fin)  
to follow*

- do pass
- do not pass
- no recommendation
- individual recommendations

**NEW FISCAL NOTES**

Department	Date	Zero	Fiscal

**PREVIOUS FISCAL NOTES**

Department	Date	Zero	Fiscal
<i>SSTA/None</i>	<i>2/9/93</i>	<i>0</i>	

Appropriation No Fiscal Note

DO PASS.

*T. Kelly*  
 \_\_\_\_\_  
*Steve My*  
 \_\_\_\_\_  
*Robert Sharp*  
 \_\_\_\_\_  
 \_\_\_\_\_

OTHER RECOMMENDATIONS:

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

1. *Steve My* *DO PASS*  
 Co-Chair: Signature/Recommendation

2. *Steve My* *DO PASS*  
 Co-Chair: Signature/Recommendation

# FISCAL NOTE

STATE OF ALASKA  
1993 LEGISLATIVE SESSION

No. 1  
Bill Version: CSSB 56 (STA)

Revision Date: February 9, 1993 Dept. Affected: NONE  
Title: "Relating to the Budget Reserve Fund and Providing an Effective Date" BRU: \_\_\_\_\_  
Sponsor: Rules, Legislative Budget and Audit Component: \_\_\_\_\_  
Requestor: Senate State Affairs COMPONENT SERIAL NO. \_\_\_\_\_

Expenditures/Revenues: (Thousands of Dollars)

	FY95	FY96	FY97	FY98	FY99	FY00
<b>OPERATING</b>						
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	0	0	0	0	0	0
<b>CAPITAL</b>	0	0	0	0	0	0

REVENUE FUND SOURCE: \_\_\_\_\_

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	0	0	0	0	0	0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY93) impact \$ 0

ANALYSIS: (Attach a separate page if necessary)

Changes in SBS6 (STA) have no fiscal impact. This fiscal note is appropriate.  
[Signature]  
date 2-10-93 Comce: [Signature] (initial)

Prepared by: Portia Babcock, Committee Aide Phone: 465-4522  
Division: Senate State Affairs Date: 2-9-93  
Approved by Commissioner: Senator Loren Lemman, Chairman Date: 2-9-93  
Agency: Senate State Affairs

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Back-up

4/27/94  
Adopted

SENATE AMENDMENT

CS for Senate Bill No. 56( )

Page 1, line 6 after the word "fund" add the following:

for a fiscal year or any previous fiscal year

Page 1, line 11 after the word "made" delete the remainder of the sentence and add the following:

after the annual financial report is filed with the governor under AS 37.05.210(2) for a succeeding fiscal year.

SENATE FINANCE  
COMMITTEE

Amendment Number: ①

Bill Number: SB 56

Sponsor: \_\_\_\_\_ Date: 4/27/94

Logged In By: Bm

STATE OF ALASKA  
 STATEWIDE ACCOUNTING SYSTEM  
 INDENTED STRUCTURE REPORT  
 1993 FUND 10001 TO LOGICAL LEVEL 99

LEV NUM	ENTITY NUMBER	DESCRIPTION	BEG SEQ NUM	END SEQ NUM	REPORTS TO ENTITY	LOG LEV NUM	ACTIVE?	DUE TO FUND ACCT	TREAS CASH ACCT	TREAS POOL FUND	SUFFC ACCT COUNT	HAND APPN?
1	00001	STATE OF ALASKA FUND	1	277		1	Y					N
2	00009	TREASURER'S FUNDS	2	28	00001	4	Y					N
3	00090	TREASURY FUNDS	3	28	00009	5	Y					N
4	90000	GENERAL & SEGREGATED	4	19	00090	10	Y					N
5	90100	GENERAL INVESTMENT	5	5	90000	30	Y	22310	10191	90100	1	Y
5	90200	INTERNAT'L AIRPORT	6	6	98000	30	Y	22315	10192	90100		Y
5	90250	AK CONSTR SERIES 6	7	7	98000	30	Y	22317	10194	90100		Y
5	90300	PUB SCH PERM FD	8	10	98000	20	Y					N
6	90310	PS PERM FD-PRINCIPAL	9	9	90300	30	Y	22321	10193	90100		Y
6	90320	PS PERM FUND-INT	10	10	90300	30	Y	22322	10193	90100		Y
5	90400	UA PERMANENT FUND	11	13	90000	20	Y					N
6	90410	UA PERM FD-PRINCIPAL	12	12	90400	30	Y	22326	10194	90100		Y
6	90420	UA PERM FUND-INTERST	13	13	90400	30	Y	22327	10194	90100		Y
5	90600	STUNT LN SECURED LMS	14	14	90000	30	Y	22355	10199	90100		Y
5	90650	ASLC BOND PROC/DISB	15	15	90000	30	Y	22367	10291	90100		Y
5	90655	ASLC BOND PROC/RCPT	16	16	90000	30	Y	22368	10292	90100		Y
5	90700	AK CHILDREN'S TRUST	17	19	90000	20	Y					N
6	90710	CHILD TRUST PRINCIPAL	18	18	90700	30	Y	22359	10103	90100		Y
6	90711	CHILD TRUST-INTEREST	19	19	90700	30	Y	22360	10103	90100		Y
4	90260	BOND CONSTRUCTION FU	20	20	00090	30	Y	22371	10295	90100		Y
4	90800	BUDGET RESERVE FUND	21	21	00090	30	Y	22364	10289	90100		Y
4	90900	ADVANCE TUITION FUND	22	22	00090	30	Y	22369	10293	90100		Y
4	91000	PUB EMPL RETIREMENT	23	23	00090	30	Y	22335	10198	90100		Y
4	92000	TEACHERS' RETIREMENT	24	24	00090	30	Y	22340	10197	90100		Y
4	93000	JUDICIAL RETIREMENT	25	25	00090	30	Y	22345	10188	90100		Y
4	94000	MILTRY RETIRMNT TRUS	26	26	00090	30	Y	22350	10189	90100		Y
4	95000	SUPP BENEFITS FUND	27	27	00090	30	Y	22365	10288	90100		Y
4	96000	INVESTMENT LOSS TRST	28	28	00090	30	Y	22370	10294	90100		Y
2	00010	AGENCY FUNDS	29	217	00001	4	Y					N
3	00100	FINANCE FUNDS	30	186	00010	5	Y					N
4	10000	GOVERNMENTAL FUND	31	112	00100	7	Y					N
5	11000	GENERAL FUND GROUP	32	68	10000	10	Y					N
6	11100	GENERAL FUND	33	33	11000	20	Y	21460		90100	2	Y
6	11102	AHFC SPECIAL PLEDGE	34	34	11000	30	Y	21465		90100	2	Y
6	11103	HOME OWNERSHIP	35	35	11000	30	Y	21470		90100	2	Y
6	11104	MULTIPLE FAMILY	36	36	11000	30	Y	21475		90100	2	N
6	11110	FICA ADMIN FUND	37	37	11000	30	Y	21480		90100	2	Y
6	11111	AK HISTORICAL COMM	38	38	11000	30	Y	21482		90100	2	Y
6	11112	AK SURPLUS PROPERTY	39	39	11000	30	Y	21484		90100	2	Y
6	11116	STATE SML BUS ENTERP	40	40	11000	30	Y	21492		90100	2	Y
6	11117	SECOND INJURY FUND	41	41	11000	30	Y	21494		90100	2	Y
6	11118	RANDOLPH SHEPPARD SB	42	42	11000	30	Y	21495		90100	2	Y
6	11119	SICK/DISABLED FISHERM	43	43	11000	30	Y	21496		90100	2	N
6	11120	DONATED COMMODY FEES	44	44	11000	30	Y	21498		90100	2	Y
6	11121	REAL ESTATE SURETY	45	45	11000	30	Y	21499		90100	2	N
6	11122	OIL/HS RESPONSE FUND	46	46	11000	30	Y	21468		90100	2	N

P.1/2

APR 22 '94 04:00PM LEGISLATIVE AUDIT 507 465 2347



513 56

Sen. Randy Phillips  
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Vice Chairman

Sen. Al Adams

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# State of Alaska



Session

Rm. 103

State Capitol

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Interim

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## Legislative Budget and Audit Committee

### Memorandum

TO: Senator Drue Pearce, CoChair  
Senate Finance Committee

Senator Steve Frank, CoChair  
Senate Finance Committee

FROM: Senator Randy Phillips, Chairman *REP*  
Legislative Budget and Audit Committee

DATE: April 22, 1994

RE: Sponsor Statement for: Senate Bill 56,  
"An Act relating to the budget reserve fund established under  
art. IX, sec. 17, Constitution of the State of Alaska."

Article IX, Section 17(d) of the Constitution of the State of Alaska provides that if an appropriation is made from the Constitutional Budget Reserve Fund, the amount of money in the general fund available for appropriation at the end of each succeeding fiscal year shall be transferred to the budget reserve fund. The Constitution further provides that this subsection shall be implemented by law.

House Bill 58 which passed the Legislature and was signed by the governor contained a section that implemented Article IX, Section 17(d). This section was found unconstitutional by the state superior court. The proposed CS for SB 56 attempts to provide for a mechanism to repay the constitutional budget reserve in a manner that limits the funds required to be used for repayment to those in the general fund. At the same time this proposed CS seeks to include those funds necessary to meet the Constitutional requirements set out by the courts.



**FY94/95 SENATE SPENDING PLAN**  
**All General Funds and Mental Health Trust Funds**  
(in millions of dollars)

Statutory Budget Reserve Balance	0.91	Balance as of 6/30/93 per AFR
Constitutional Budget Reserve Balance	1,534.31	Balance as of 6/30/93 per AFR
Mental Health Trust Income Account Balance	96.81	Unres/undes balance as of 6/30/93 per AFR
<b>FY94 REVENUES</b>		
Unrestricted General Fund	1,635.9	DOR Spring Forecast, Mid Case. \$13.70/bbl.
Revenue Adjustments	61.7	See attached schedule
From Other Sources	154.1	See attached schedule
From Statutory Budget Reserve	0.9	Section 36, Chapter 65, SLA 1993
From Mental Health Trust Income Account	47.9	To balance MH revenues and expenditures
FY94 General Fund Settlement Receipts & Int.	205.3	
From General Fund to CBR	-205.3	Sections 2-4, SCS CSHB 505 (FIN)
From Constitutional Budget Reserve	1,054.6	Sections 7 and 8, SCS CSHB 505 (FIN)
From Constitutional Budget Reserve	255.6	Sec. 9, SCS CSHB 505 (FIN), Estimated
<b>FY94 AVAILABLE</b>	<b>3,210.7</b>	
<b>FY94 Expenditures</b>		
Operating	2,239.5	
Debt Service	144.9	
Capital	616.0	
Loans	60.1	
Special Appropriations/Fund Transfers	110.2	
Supplementals (estimated)	40.0	
<b>FY94 EXPENDITURES</b>	<b>3,210.7</b>	
Constitutional Budget Reserve Balance	670.41	Estimated as of 6/30/94
Mental Health Trust Income Account Balance	36.61	Estimated as of 6/30/94
<b>FY95 REVENUES</b>		
Unrestricted General Fund	1,696.9	DOR Spring Forecast, Mid Case. \$13.97/bbl.
Revenue Adjustments	38.2	See attached schedule
FY95 AHFC Dividend	200.0	Section 17(d), SCS CSHB 370 (FIN)
AIDEA	60.0	Section 39(b), SCS CSHB 370 (FIN)
Executive Life/ILTF Recovery	37.6	Section 39(a), SCS CSHB 370 (FIN)
From Mental Health Trust Income Account	15.1	To balance MH revenues and expenditures
From Constitutional Budget Reserve	68.7	Section 40, SCS CSHB 370 (FIN)
From Constitutional Budget Reserve	347.2	Section 39(c), SCS CSHB 370 (FIN)
<b>FY95 AVAILABLE</b>	<b>2,463.7</b>	
<b>FY95 Expenditures</b>		
Operating	1,548.5	SCS CSHB 370 (FIN)
Education, Formula, Debt Service, Single Sites	746.6	SCS CSHB 505 (FIN)
Debt Service	29.7	Sec 10(a) and 11(a) SCS CSHB 370 (FIN)
Capital	100.0	
Special Appropriations/Fund Transfers	31.9	SCS CSHB 370 (FIN)
New Legislation	7.0	
<b>FY95 EXPENDITURES</b>	<b>2,463.7</b>	
Constitutional Budget Reserve Balance	254.51	Projected as of June 30, 1995
Mental Health Trust Income Account Balance	21.51	Projected as of June 30, 1995

**DRAFT**

IN THE SUPERIOR COURT FOR THE STATE OF ALASKA  
THIRD JUDICIAL DISTRICT AT ANCHORAGE

1 STEVE COWPER,

2 Plaintiff,

3 v.

4 WALTER J. NICKEL,  
5 Governor of the  
6 State  
7 of Alaska, et al.,

8 Defendants.

Case No. JAN-93-6848 Civil

9  
10  
11  
12 EXPANDED DECISION FINDING CHAPTER 5,  
13 SLA 1994 TO BE UNCONSTITUTIONAL.

14  
15  
16 Procedural History:

17  
18 While jurisdiction over this matter was in the  
19 Supreme Court, Plaintiff Cowper applied to add to the  
20 case claims related to the enactment of Chapter 5, SLA  
21 1994. The Supreme Court remanded the questions raised  
22 to the Superior Court for a decision on whether to allow  
23 an amended complaint to pursue those issues, and if so,  
24 to resolve them. This court allowed the supplemental  
25

pleading, arranged with counsel for expedited briefing, and an expedited oral argument which was heard on April 7, 1994. A summary order finding Ch. 5, SLA 1994 to be unconstitutional was entered on April 3, 1994. This order will state the reasons for the finding of unconstitutionality.

Factual History:

The Constitutional Budget Reserve Fund, Article IX, Section 17, Constitution of the State of Alaska, was created to serve two budgetary functions. First, it is to be a source of funds available to the government for appropriations if the amount "available for appropriation" is less than the amount actually appropriated during the prior legislative session. Sec. 17 (b). A shortfall meeting these requirements can be withdrawn with a simple majority vote of the legislature approved by the governor.

The second function is to be a source of funds to the government without regard to what other money is "available for appropriation", or the prior year's appropriation level. Withdrawal in this case is much more restricted, requiring a three-fourths vote of each house of the legislature, and agreement of the governor.

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Sec. 17 (c).

In either case, the fund is to be repaid with any money remaining in the general fund which is available for appropriation at the end of each succeeding fiscal year. Sec. 17 (d).

Facing serious budgetary problems, on March 16, 1994, the legislature and governor enacted into law Chapter 3, SLA 1994, which in many ways addresses the use of the Constitutional Budget Reserve Fund. Whether this law is constitutional is the question.

Chapter 3, SLA 1994, created two new statutes, A.S. 37.10.410 and A.S. 37.10.420. Section 410 deals with what money goes into the Constitutional Budget Reserve Fund (CBRF), and section 420 relates to withdrawals from that fund.

Analysis:

410 (a).

A.S. 37.10.410 (a) purports to place in the CBRF informal and formal administrative appeal collections under A.S. 41.05.240. On April 4, 1994, the Supreme Court ruled that the money to be placed in the fund

1 included collections resulting from assessments under  
 2 A.S. 43.05.170, a stage prior to the informal and formal  
 3 appeal procedures. Walter J. Rickal, et al. v. Rickal  
 4 Halford, et al. and Steve Cowan, P.3d, (Alaska  
 5 1994), Opinion No. 4069, at page 26. In light of this  
 6 decision, section 410 (a) is an unconstitutional limit  
 7 on the money required to be placed in the CSRF.

8 410 (b)(1).

9 A.S. 37.10.410 (b) purports to designate money not  
 10 to be placed in the CSRF. Subsection (b)(1) excludes  
 11 money resulting from the termination of informal or  
 12 formal administrative proceedings when the money was not  
 13 due at the time of initiation of the proceeding. It  
 14 would seem that this situation would be rare, but even  
 15 so, if the collection resulted from the termination of  
 16 an administrative proceeding, it would clearly fall  
 17 within the scope of the constitution.

18 410 (b)(2).

19 Subsection (b)(2) would appear to be unrelated to  
 20 the issues before the court, covering money paid prior  
 21 to an audit. Without an audit there is no assessment,  
 22 and therefore no administrative proceeding is involved.  
 23 Although no constitutional breach is indicated, this  
 24 section is not severable from the remainder of the act,  
 25

as it would be extremely unlikely the legislature intended to point out only one of many sources of funds unrelated to the CERF.

410 (b)(3).

Subsection (b)(3) excludes collections received after assessment but before filing of a notice of appeal by the taxpayer. Since assessment begins the administrative sequence according to the April 4, 1994 Supreme Court decision, Id., this section would violate the meaning of the CERF.

All of A.S. 37.10.410 is therefore unconstitutional.

420.

The second statute enacted, A.S. 37.10.420, has four parts which address section 17 (b) of the CERF, the process for withdrawing money from the fund.

420 (a)(1).

Section 420 (a)(1) defines the "the amount available for appropriation" or "funds available for appropriation", listing four categories. The focus of the difficulty with this subsection is another provision of the constitution, Art. IX, sec. 7, the Dedicated Funds provision, and the decision in Sonnenman v. Hickel, 836

P.2d 936 (Alaska 1992).

1           Art. IX, sec. 7 states that state taxes are not to  
 2 be dedicated to any special purpose, other than the  
 3 Permanent Fund, or as required by a federal funding  
 4 source. In Sonnenman, the Supreme Court ruled on the  
 5 constitutionality of a law which limited the power of the  
 6 executive to request funds from the Alaska Marine Highway  
 7 System Fund. In voiding that provision of the law the  
 8 Supreme Court said

9  
 10           ...The constitutional clause prohibiting  
 11 dedicated funds seeks to preserve an annual  
 12 model which assumes that not only will the  
 13 legislature remain free to appropriate all  
 14 funds for any purpose on an annual basis, but  
 15 that governmental departments will not be  
 16 restricted in requesting funds from all  
 17 sources. 836 P.2d at 940.

18  
 19           Of course, there are government funds in addition  
 20 to federal matching funds and the Permanent Fund, which  
 21 are not legally available to the legislature for  
 22 appropriation for any purpose it chooses. Included in  
 23 this would be funds owned by third parties, such as the  
 24 Public Employees Retirement System funds, or the Mental  
 25 Health Trust funds. Even though the legislature  
 appropriates these funds, as it does federal funds, the  
 appropriation is not controlled by the legislature but  
 rather by the third party funding source limitations.

1 The key is whether the legislature has the power to  
 2 choose the purpose for the appropriation. If a simple  
 3 majority vote can withdraw the funds, (e.g. The Railbelt  
 4 Energy Fund, the Permanent Fund Earnings Reserve  
 5 Account), it is available for appropriation. If it  
 6 belongs to someone else (trust funds, with vested legal  
 7 rights), or would not be there without the purpose and  
 8 permission of the source (federal funds of various  
 9 sources), then it is not available for the legislature  
 10 to exercise its unfettered constitutional discretion.

11 There are other funds which are not available, such  
 12 as funds expected to be spent pursuant to the prior  
 13 year's appropriations but not yet spent, or revolving  
 14 loan funds expected to be loaned during the fiscal year,  
 15 and funds necessary to pay contracts signed and  
 16 enforceable but not yet payable. Unfettered  
 17 appropriation of these funds by the legislature would  
 18 violate the vested legal rights of others, or erode the  
 19 integrity of the prior legislature's fiscal decisions for  
 20 the current fiscal year.

21 It is necessary to use a reasoned view of each fund  
 22 of money in the state accounts. No one would interpret  
 23 the non-dedication clause of the constitution and the  
 24 constitutional budget reserve provision together to  
 25

1 require the liquidation of state assets before the  
 2 reserve could be used, but it is equally improper to  
 3 exclude funds simply because a prior legislature put a  
 4 label on the funds, the removal of which carries  
 5 political risk but no legal impediment. The legislature  
 6 has the power to use many sources of funds in addition  
 7 to those enumerated in section 420 (a)(1).

8  
9  
10 420 (a)(2).

11 A.S. 37.10.420 (a)(2), addressing "the amount  
 12 appropriated for the prior fiscal year" suffers the same  
 13 flaw as (a)(1): the sources are unconstitutionally  
 14 limited.

15  
16  
17 420 (a)(3).

18 A.S. 37.10.420 (a)(3), covering the confusing phrase  
 19 "the amount of appropriations made in the previous  
 20 calendar year for the previous fiscal year" likewise is  
 21 tied to the unconstitutionally limited enumeration of  
 22 sources.

23  
24  
25 420 (b).

26 A.S. 37.10.420 (b) limits the scope of funds from  
 27 which the legislature would be required to repay funds  
 28 withdrawn from the CSRF. There is no constitutional  
 29 basis for this limitation. The CSRF is not available

under Art. II, Sec. 17(b) unless all of the other money  
"available" is inadequate, and must be paid back first  
when extra funds are available.

420 (c).

A.S. 37.10.420 (c) defines terms made irrelevant by  
the above discussion of section 420(a).

420 (d).

A.S. 37.10.420 (d), although accurate, is not  
logically severable from the remainder of the act.


Sec. 2, Ch. 5, SLA 1994.

Section 2 of the act, for the above reasons, is not  
constitutional.

Conclusion:

Therefore, this court holds that Chapter 5, SLA 1994  
is unconstitutional in its entirety.

Dated 4/12/94



JOHN REESE

Judge of the Superior Court

**SENATE COMMITTEE REPORT**  
FIRST COMMITTEE OF REFERRAL

DATE: 1/22/93

FURTHER: ~~JUDICIARY~~  
FINANCE

Date of 5-Day Notice: 1-25-93  
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 2-10-93

STATE AFFAIRS Committee considered SB 56

"An Act relating to the budget reserve fund established under art. ~~3~~<sup>9</sup>, sec. 17, Constitution of the State of Alaska."

and recommends: and a majority of the committee recommends it be replaced with

replace with \_\_\_\_\_ CS SB 56 (STA)

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

attaches amendment(s)

and do pass

adopts \_\_\_\_\_ Letter of Intent

further referral to the \_\_\_\_\_

do pass

do not pass

no recommendation

individual recommendations

**FISCAL NOTE INFORMATION**

Department	Date	Zero	Fiscal
Senate State Affairs Committee	2-9-93	<input checked="" type="checkbox"/>	

Department	Date	Zero	Fiscal

Appropriation No Fiscal Note

Governor's Bill with Previous Fiscal Notes (enter information above)

**DO PASS:**

**OTHER RECOMMENDATIONS:**

Abrish Taylor  
Mike Miller

~~Abrish Taylor~~  
no rec.  
no rec.

Loren A. Leman do pass

Chair: Signature and Recommendation

SENATE COMMITTEE REPORT

DATE: 2/10/93

FURTHER: FINANCE

DATE TURNED INTO OFFICE: \_\_\_\_\_

JUDICIARY Committee considered SENATE BILL NO. 56

"An Act relating to the budget reserve fund established under art. IX, sec. 17, Constitution of the State of Alaska."

and recommends:

- replace with \_\_\_\_\_ CS \_\_\_\_\_
- or  adopt previous \_\_\_\_\_ CS \_\_\_\_\_
- attaches amendment(s)

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

adopts \_\_\_\_\_ Letter of Intent

further referral to the Finance Committee

do pass

do not pass

no recommendation

individual recommendations

NEW FISCAL NOTES

Department	Date	Zero	Fiscal

PREVIOUS FISCAL NOTES

Department	Date	Zero	Fiscal
<del>State State Affairs</del>	<del>2-9-93</del>	<del> </del>	<del> </del>

Appropriation No Fiscal Note

DO PASS

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OTHER RECOMMENDATIONS:

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Finance 4-30-94

**SB**

**57**

**HFIN**

**FILE**

# HOUSE COMMITTEE REPORT

(11)

Date Referred: April 13, 1993

FURTHER REFERRALS:

Date of Committee Action: 4/23/93

The FINANCE Committee considered:

SB 57

SENATE BILL NO. 57

EXTEND S.T.E.P. PROGRAM TO 1996

"An Act relating to employment contributions and to extending the pilot project for the state training and employment program; and providing for an effective date."

RECOMMENDATIONS:  the same title  
 be replaced with \_\_\_\_\_  a new title

have attached amendments(s)

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/Date)


fiscal impact \_\_\_\_\_

fiscal note(s) \_\_\_\_\_

zero fiscal note \_\_\_\_\_

zero fiscal note(s) SEC 4/8/93

SIGNING <u>DO</u> PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
<i>EP Maclean</i> Maclean	✓				
<i>Ronald J. Larson</i> Larson	X				
<i>Mark Hanley</i> Hanley	X				
<i>Lease Martin</i> Martin	✓				
<i>Leah Parrell</i> Parrell	X				
<i>Jan Somers</i> GRISSIN	X				
<i>Tom Hoffman</i> Hoffman	✓				
<i>Mike Swann</i> NAVARRA	✓				
<i>Fay Fox</i> BROWN	✓				
<i>Carol Thomas</i> THIRRY	✓				
<i>Richard Sale</i> FLYNN	X				

  
 RONALD J. LARSON  
 CHAIRMAN'S SIGNATURE  
Larson
Maclean

F I S C A L N O T

REQUEST:

Revision Date: \_\_\_\_\_ Affected Agency: DOLabor  
 Title: Extend STEP BRU: Employ. Security  
Prog. to 1996 Training Employ. Program  
 Sponsor: Rules/Governor Components: 1184  
 Requestor: Senate Finance

EXPENDITURES/REVENUES: (THOUSANDS OF DOLLARS)

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
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						
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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						

Estimate of FY 93 impact: 0.0

ANALYSIS: (ATTACH A SEPARATE PAGE IF NECESSARY)

Funding for extension of the STEP program is included within the FY 94 operating budget.

Prepared By: Drue Pearce Date: 4/8/93  
 Senator Drue Pearce, Co-chair Phone: 465-4993  
 Senate Finance Committee

Prepared By: Steve Frank Date: 4/8/93  
 Senator Steve Frank, Co-chair Phone: 465-3709  
 Senate Finance Committee

F I S C A L N O T E

REQUEST:

Revision Date: \_\_\_\_\_ Affected Agency: DC&RA  
 Title: Extend STEP BRU: Employ Train.  
Prog. to 1996 Rural Develop. Service  
 Sponsor: Rules/Governor Components: 1178  
 Requestor: Senate Finance

EXPENDITURES/REVENUES: (THOUSANDS OF DOLLARS)

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants, Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

CAPITAL						
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REVENUE						
---------	--	--	--	--	--	--

FUNDING: (THOUSANDS OF DOLLARS)

General Fund						
Federal Fund						
Other						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

POSITIONS:

Full-Time						
Part-Time						
Temporary						

Estimate of FY 93 impact: 0.0

ANALYSIS: (ATTACH A SEPARATE PAGE IF NECESSARY)

Funding for extension of the STEP program is included within the FY 94 operating budget.

Prepared By: Tracy Pearce Date: 4/8/93  
 Senator Tracy Pearce, Co-chair Phone: 465-4993  
 Senate Finance Committee

Prepared By: Steve Frank Date: 4/8/93  
 Senator Steve Frank, Co-chair Phone: 465-3709  
 Senate Finance Committee

F I S C A L N O T

REQUEST:

Revision Date: \_\_\_\_\_ Affected Agency: DC&RA  
 Title: Extend STEP BRU: Employ Train.  
Prog. to 1996 Rural Develop. Training  
 Sponsor: Rules/Governor Components: 1012  
 Requestor: Senate Finance

EXPENDITURES/REVENUES: (THOUSANDS OF DOLLARS)

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants, Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	0.0	0.0	0.0	0.0	0.0	0.0

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

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

FUNDING: (THOUSANDS OF DOLLARS)

General Fund						
Federal Fund						
Other						
<b>TOTAL</b>	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

Full-Time						
Part-Time						
Temporary						

Estimate of FY 93 impact: 0.0

ANALYSIS: (ATTACH A SEPARATE PAGE IF NECESSARY)

Funding for extension of the STEP program is included within the  
FY 94 operating budget.

Prepared By: Steve Pearce Date: 4/8/93  
 Senator Steve Pearce, Co-chair Phone: 465-4993  
 Senate Finance Committee

Prepared By: Steve Frank Date: 4/8/93  
 Senator Steve Frank, Co-chair Phone: 465-3709  
 Senate Finance Committee

Back-up

FISCAL NOTE

Bill Version: SB 57

(S) Publish Date: 1/22/93

Revision Date: \_\_\_\_\_ Dept. Affected: Community & Regional Affairs  
 Title: 'An Act relating to employment  
contributions and to extending the...project...' BRU: Employ/Train/Rural Development  
 Sponsor: \_\_\_\_\_ Component: Statewide Service Delivery  
 Recuslor: \_\_\_\_\_ COMPONENT SERIAL NO. 1178

Expenditures/Revenues:		(Thousands of Dollars)				
OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	78.0	79.5	81.0			
TRAVEL	7.2	7.2	7.2			
CONTRACTUAL	10.0	12.8	15.9			
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	1218.6	1276.4	1335.6			
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>1313.8</b>	<b>1375.9</b>	<b>1439.7</b>			
CAPITAL						
REVENUE FUND SOURCE:	1007	1007	1007			

FUNDING:		(Thousands of Dollars)				
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1005 GF/MHTIA						
Other 1007 Interagency	1313.8	1375.9	1439.7			
<b>TOTAL</b>	<b>1313.8</b>	<b>1375.9</b>	<b>1439.7</b>			

POSITIONS:						
FULL-TIME	1	1	1			
PART-TIME						
TEMPORARY						

Estimate of current (FY93) Impact \$ 0

ANALYSIS: (Attach a separate page if necessary)  
 The State Training and Employment Program (STEP) ends as of June 30, 1993. However, the above line item amounts and permanent full-time positions are contained in the department's operating budget request for FY 94 pending sunset review results. The position is a Grants Administrator II, Range 17.  
 SEE ATTACHMENT

Prepared by: Remond Henderson Phone: 465-4708  
 Division: Division of Administrative Services Date: 12/14/92  
 Approved by Commissioner: [Signature] Deputy Commissioner Date: 12/14/92  
 Agency: Department of Community & Regional Affairs

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE  
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Fiscal Note Analysis  
for

"An Act relating to employment contributions... and extending the pilot project..."  
for the State Training and Employment Program (STEP).

Program Effects

The bill authorizes a three year extension of a project for state funded training and employment programs. This additional time period will permit continuation of training and employment services to eligible participants throughout the state.

Comments

The Department of Community and Regional Affairs (DCRA) supports this bill. Through a unique agreement with the Alaska Department of Labor this department has offered the training opportunities to Alaskans utilizing the Service Delivery Areas set up under the federal Job Training Partnership Act (JTFA). The program is operated in all parts of the state and has proven to be an effective service delivery strategy.

Funds transferred under this agreement are to be considered a grant to the Alaska Job Training Partnership Office acting as the administrative agency for AJTC. Funds transferred under this agreement are granted to allow the AJTC to provide employment assistance and/or training grants in order to reduce future claims against unemployment benefits, foster new jobs by encouraging business to locate in the state due to the availability of a skilled labor force, and increase training opportunities for workers affected by economic fluctuation of technological change.

FISCAL NOTE

Bill Number: \_\_\_\_\_

(S) Publish Date: 1/22/93

Revision Date: \_\_\_\_\_ Dept. Affected: Community & Regional Affairs  
 Title: \*An Act relating to employment BRU: Employ/Train/Rural Development  
contributions and to extending the ...project... Component: State Employment & Training  
 Sponsor: \_\_\_\_\_  
 Requestor: \_\_\_\_\_ COMPONENT SERIAL NO. 1012

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	75.8	75.5	81.2			
TRAVEL	5.0	5.0	5.0			
CONTRACTUAL	20.8	22.9	25.1			
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	1970.6	2063.8	2159.4			
MISCELLANEOUS						
TOTAL OPERATING	2072.2	2170.2	2270.7			

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

REVENUE FUND SOURCE:	1007	1007	1007			
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FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other 1007 Interagency	2072.2	2170.2	2270.7			
TOTAL	2072.2	2170.2	2270.7			

POSITIONS:

FULL-TIME	1	1	1			
PART-TIME						
TEMPORARY						

Estimate of current (FY93) Impact \$ 0

ANALYSIS: (Attach a separate page if necessary)

The State Training and Employment program (STEP) ends as of June 30, 1993. However, the above line item amounts and permanent full-time position are contained in the department's operating budget request pending sunset review results. The position is a Grants Administrator III, Range 19.

Prepared by: Remond Henderson Phone: 465-4708  
 Division: Division of Administrative Services Date: 12/14/92

Approved by Commissioner: [Signature] Deputy Commissioner Date: 12/17/92

Agency: Department of Community & Regional Affairs

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Fiscal Note Analysis  
for

"An Act relating to employment contributions... and extending the pilot project..."  
for the State Training and Employment Program (STEP).

Program Effects

The bill authorizes a three year extension of a project for state funded training and employment programs. This additional time period will permit continuation of training and employment services to eligible participants throughout the state.

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Funds transferred under this agreement are to be considered a grant to the Alaska Job Training Partnership Office acting as the administrative agency for AJTC. Funds transferred under this agreement are granted to allow the AJTC to provide employment assistance and/or training grants in order to reduce future claims against unemployment benefits, foster new jobs by encouraging business to locate in the state due to the availability of a skilled labor force, and increase training opportunities for workers affected by economic fluctuation of technological change.

# FISCAL NOTE

STATE OF ALASKA  
1993 LEGISLATIVE SESSION

BILL NO : \_\_\_\_\_

Revision Date: \_\_\_\_\_  
 Title: "An Act relating to employment contributions and to extending the ... project.."  
 Sponsor: \_\_\_\_\_  
 Requestor: \_\_\_\_\_

Department Affected: Labor  
 BRU: Employment Security  
 Component: State Training & Employment Program  
 COMPONENT SERIAL NO. 1184

**EXPENDITURES/REVENUES:** (Thousands of Dollars)

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	22.6	22.6	22.6			
TRAVEL						
CONTRACTUAL	3,625.9	3,786.0	3,950.3			
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>3,648.5</b>	<b>3,808.6</b>	<b>3,972.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

CAPITAL						
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REVENUE FUND SOURCE:	STEP # 1054	STEP # 1054	STEP # 1054			
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**FUNDING:** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipt						
1006 GF/MHTIA						
1054 St Trng & Emol Prog	3,648.5	3,808.6	3,972.9			
<b>TOTAL</b>	<b>3,648.5</b>	<b>3,808.6</b>	<b>3,972.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY 93) impact: \$ \_\_\_\_\_ 0.0

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

(See attached for analysis)

Prepared by: Judy G. Knight, Director Phone: 465-2712  
 Division: Employment Security Division Date: 11/13/92  
 Approved by Commissioner: C. W. Mahlen  
 Agency: Department of Labor Date: 11/13/92

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Fiscal Note Analysis  
for

"An Act relating to employment contributions...and extending the pilot project..."

This bill extends the state training and employment program for an additional three years. The program is funded by a contribution of one-tenth of one percent of covered worker wages collected by the Department of Labor. This is done at no cost to the worker by giving a credit of this amount from the employee contribution currently provided for in AS 23.20.290. The revenue is deposited in the State Employment and Training Program fund.

Revenue calculations are as follows:

	<u>FY 94</u>	<u>FY 95</u>	<u>FY 96</u>
Estimated taxable wages	\$3,840,500.00	\$4,009,100.00	\$4,182,000.0
Multiply by one-tenth of 1% to arrive at estimated revenues	3,840.5	4,009.1	4,182.0
Adjust for 95% collection rate	<u>(192.0)</u>	<u>(200.5)</u>	<u>(209.1)</u>
<u>Estimated total revenues available</u>	\$3,648.5	\$3,808.6	\$3,972.9

Of the money collected annually, the Department of Labor will retain \$22.6 for collection and accounting efforts and \$239.9 for maintaining the department's Occupational Data Base and for program review and evaluation. The annual evaluation report will include the resident hire information required by AS 36.10.130. The balance (\$3,386.0 in FY 94) will be transferred to the Department of Community & Regional Affairs for employment assistance and training grants.

These expenditures and revenues are included in the FY 94 proposed operating budget for the Department of Labor.

Assumptions:

1. Program would continue for three additional years (FY 94 - FY 96).

# STATE OF ALASKA

## DEPARTMENT OF LABOR

### OFFICE OF THE COMMISSIONER

WALTER J. HICKEL, GOVERNOR

P.O. BOX 21149  
JUNEAU, ALASKA 99802-1149  
PHONE: (907) 465-2700

FAX: (907) 465-2784

April 15, 1993

The Honorable Ron Larson  
Co-Chair, House Finance Committee  
Alaska State Legislature  
State Capitol, Room 502  
Juneau, AK 99801-1182

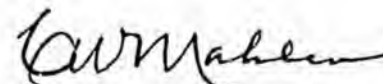
Dear Representative Larson:

Senate Bill No. 57, extending the State Training and Employment Program to 1996, passed the Senate 18-0 and was transmitted to the House on April 12, 1993. The House Labor & Commerce Committee referral was waived and it has been scheduled for a hearing in the House Finance Committee on April 23, 1993.

A sectional analysis, fiscal notes and position papers from the Department of Labor and the Department of Community & Regional Affairs, a copy of the enabling legislation, a brief overview and selected program statistics are enclosed for your information. The packet of information has also been provided to each committee member. If you would like additional information concerning this legislation, please do not hesitate to contact my Special Assistant, Arbe Williams.

Thank you for scheduling Senate Bill No. 57 for a hearing before the House Finance Committee.

Sincerely,



Charles W. Mahlen  
Commissioner

Enclosures

# DEPARTMENT OF LABOR

## *SECTIONAL ANALYSIS*

### SENATE BILL NO. 57

"An Act relating to employment contributions and to extending the pilot project for the state training and employment program; and providing for an effective date."

#### Section 1.

Extends for three years, through June 30, 1996, the dates for the collection of revenues for the State Training and Employment Program and the dates that wages for employment are subject to STEP contributions.

#### Section 2.

Modifies the repealer in Chapter 95, SLA 1989, as amended by Chapter 17, SLA 1991, to July 1, 1996 to reflect the three year extension of the State Training and Employment Program.

#### Section 3.

Provides for an effective date of June 30, 1993.

**BILL NO:** SENATE BILL NO. 57

**DATE:** February 4, 1993

**TITLE:** Extending STEP until 1996

**CONTACT:** Arbe Williams  
465-2700

The State Training and Employment Program (STEP) was enacted in 1989 as a two year pilot project and was extended for two years in 1991. The project is scheduled to end June 30, 1993. Senate Bill No. 57 proposes to extend STEP for three years an expiration date of June 30, 1996.

Preliminary results are that this pilot project, administered jointly by the Departments of Labor and Community & Regional Affairs, in cooperation with the Alaska Job Training Council, provides much needed job training to unemployed workers. This project also assists Alaskans who need to upgrade their job skills in order to maintain their employability. STEP has broad based support from both industry and labor.

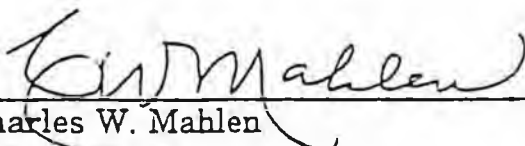
Preliminary results are encouraging. However, project evaluation is in the initial stages. A three year extension of the project would allow the department to continue to evaluate the effectiveness of the project; to continue to collect and analyze statistical and program information to ensure that the removal of STEP funds from the UI Trust Fund does not adversely affect employer tax rates; and to ensure that the project serves the people as listed in the enabling legislation and adheres to the statutory language that STEP "...would

(A) help prevent future claims against unemployment benefits;

(B) foster new jobs by encouraging businesses to locate in the state due to availability of a skilled labor force and by minimizing employers' unemployment costs; and

(C) increase training opportunities to those workers severely affected by the fluctuations in the state economy or technological changes in the workplace in the state."

The Department strongly supports the extension of the State Training and Employment Program.

  
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Charles W. Mahlen  
Commissioner

Date: 2/4/93

**POSITION PAPER/Department of Labor**

STATE OF ALASKA  
DEPARTMENT OF COMMUNITY  
& REGIONAL AFFAIRS

POSITION PAPER

Bill No.: SB 57 by Request of the Governor

Title: An Act relating to the employment contributions and to extending the pilot project for the state training and employment program; and providing for an effective date.

SB 57 provides for a three (3) year extension of the State Training and Employment Program (STEP) originally enacted under Chapter 95 SLA 1989. This program is designed to determine the benefits of a state funded training program directed toward unemployed or marginally underemployed persons in Alaska.

At least four (4) other states use the unemployment insurance trust for training purposes such as this. At least half of all states provide similar training through general fund appropriations. The anticipated effects of the program are a reduction in future claims against unemployment insurance; promotion of the new job growth in higher skill occupations; and improvement in local hire through workforce competitiveness improvements.

The bills fiscal note seeks an appropriation of \$3,386 million from the unemployment insurance trust fund, the same source as in the initial years of this program. This funding amount is projected to provide training for approximately 2,300 participants in job training and employment assistance.

DCRA FISCAL NOTE: \$3,386.0 (attached)

DCRA POSITION: Strong Support.

*Edgar Blatchford*  
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Edgar Blatchford  
Commissioner

*1-26-93*  
\_\_\_\_\_  
Date