

ALASKA LEGISLATURE

2185

HOUSE and SENATE FINANCE COMMITTEE FILES,

2001 - 2002



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William L. Carter

Signature of Camera Operator

4/11/2003

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HB

3

HFIN

FILE

FISCAL NOTE

**STATE OF ALASKA
2001 LEGISLATIVE SESSION**

Fiscal Note Number: 1
 Bill Version: HB 3
 (H) Publish Date: 3/13/01

Revision Date/Time (Note if correction): _____ Dept. Affected: Revenue
 Title: Deposit to the Permanent Fund BRU: Revenue Operations
 Component: Tax Division
 Sponsor: Representative Rokeberg
 Requester: House State Affairs Component Number: 2476

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()	40,000.0	43,700.0	40,200.0	38,600.0	27,200.0	24,900.0
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1006 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2001) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This legislation would amend AS 37.13.010(1) and (2) to reduce deposits to the Permanent Fund from 50% to 25% from all state mineral lease royalties, rentals and bonuses (including the state's share of such revenues from federal leases) from leases issued after Dec. 1, 1979.

The estimates in this fiscal note are based on oil price and production assumptions used in the Department of Revenue Fall 2000 forecast. The actual revenue effect to the general fund will be sensitive to future oil prices and production. Estimates of the effect of this statutory change suggest that the revenue increase to the state general fund will range between \$25 million and \$45 million per year assuming oil prices average \$15 to \$25 per barrel.

The increase in revenue to the general fund under this bill will mean an equal decrease in deposits to the Permanent Fund.

Prepared by: Charles Logson, Chief Economist Phone 907 269 1019
 Division: Tax Division Date/Time 3/3/01 11:00 AM
 Approved by: Larry Persily, Deputy Commissioner Date 03/05/2001
 Agency: Department of Revenue

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ALASKA STATE LEGISLATURE

House of Representatives

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Representative Norman Rokeberg

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SPONSOR STATEMENT House Bill 3 DEPOSITS TO THE PERMANENT FUND

Title: An Act relating to deposits to the Alaska permanent fund from mineral lease rentals, royalties, royalty sale proceeds, net profit shares under AS 38.05.180(f) and (g), federal mineral revenue sharing payments received by the state from mineral leases, and bonuses received by the state from mineral leases, and limiting deposits from those sources to the 25 percent required under art IX, sec. 15, Constitution of the State of Alaska; and providing for an effective date.

This legislation returns the percentage of all mineral lease royalties and bonuses deposited into the Permanent Fund to the constitutionally mandated 25 per cent.

HB 3 proposes changes to a statute -- not the Constitution. Article IX, Section 15 of Alaska's Constitution states that "at least twenty-five percent of all mineral lease rentals, royalties, royalty sale proceeds, federal mineral revenue sharing payments and bonuses received by the state shall be placed in a permanent fund." In 1980, the Legislature recognized excess revenues existed (GF revenues for FY 81 totaled \$4.07 billion) and wisely decided to raise the amount of royalties and bonuses deposited into the Permanent Fund to 50 percent. This surplus situation with state revenues no longer exists today.

It is time for the State to redirect the extra 25% to the General Fund. Passage of this bill would generate an estimated \$29 million (average) per year over the next thirteen years, and \$35.9 million in FY 2002 at an estimate \$24.28 per barrel average.

As the Prudhoe Bay and Kuparuk fields - which currently contribute to the General Fund at a 25 percent rate - diminish, we need to replace that production with the new, smaller satellite fields (for example, Alpine, and North Star) contributing at the same 25 percent rate not at a larger 50 percent rate.

While we can and should continue to make budget reductions, we would be foolish to ignore this source of General Fund revenue in solving our budget problem, as well as planning for the future development of Alaska's resources. Prudent fiscal management requires this statutory change. HB 3 is a small step in the right direction.

I strongly urge you to support this much needed, fiscally-prudent legislation.

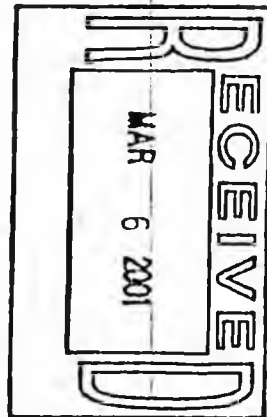
ED1:02/12/01



Analysis of HB 3 Alaska Permanent Fund Corporation

Based on December 2000 APFC Financial Projections
(\$ in millions)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	TOTALS
Oil contributions Status Quo	343	291	271	249	235	179	171	162	152	142	128	2,325
Oil Contributions (HB 3)	313	250	226	208	196	150	144	129	131	123	112	1,982
Difference (HB 3 - Status Quo)	30	42	44	41	39	29	27	24	21	19	16	333
Per Capita Dividends Status Quo	\$1,930	\$1,910	\$1,820	\$1,750	\$1,760	\$1,890	\$1,960	\$2,040	\$2,120	\$2,200	\$2,260	\$21,680
Per Capita Dividends (HB 3)	\$1,930	\$1,910	\$1,820	\$1,750	\$1,760	\$1,880	\$1,950	\$2,030	\$2,100	\$2,180	\$2,260	\$21,500
Difference (HB 3 - Status Quo)	\$0	\$0	\$0	\$0	\$0	\$10	\$10	\$10	\$20	\$20	\$20	\$90



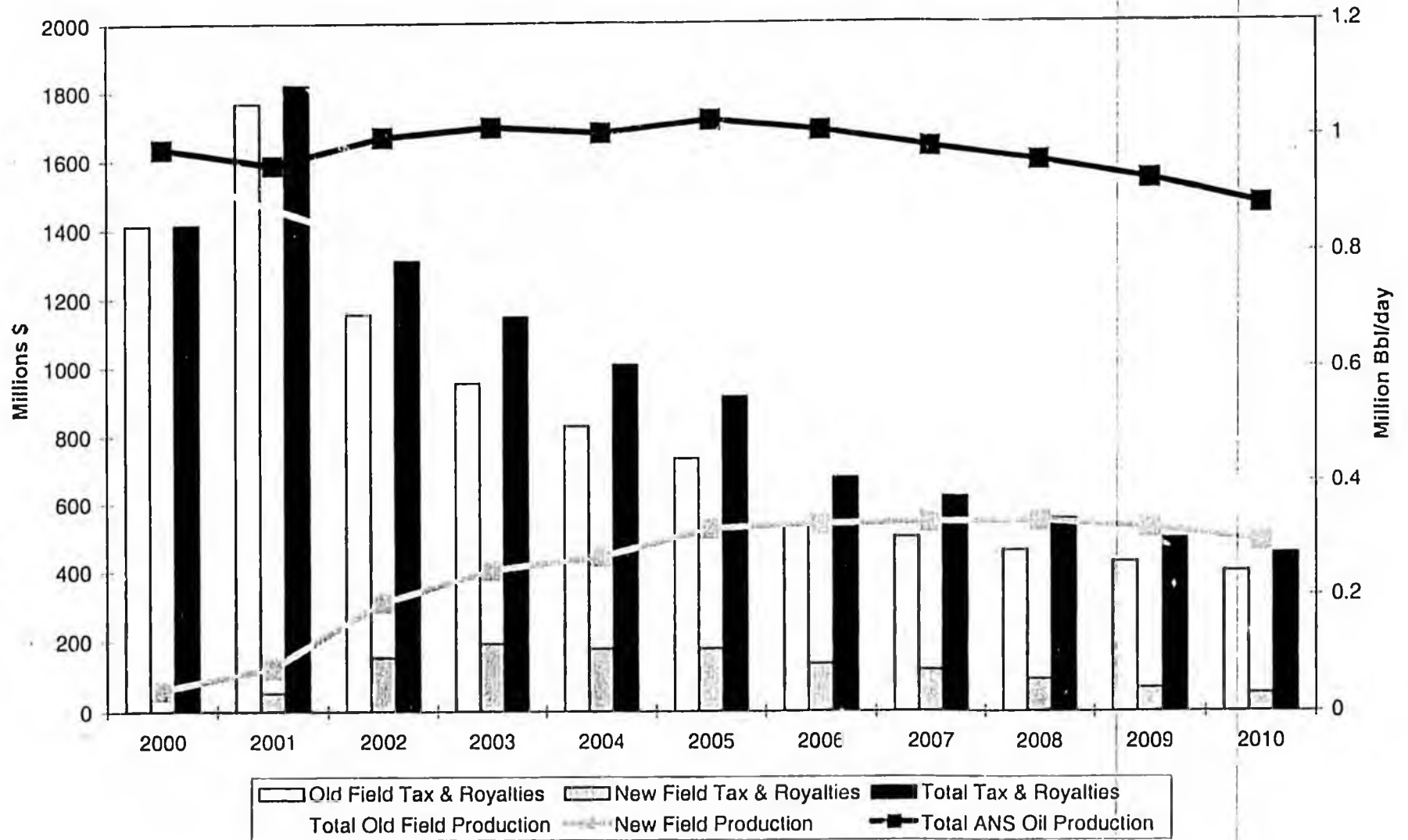
To: Representative Norm Rokeberg
From: Chuck Logsdon 269 1019
Date: March 8, 2001
Subject: HB 3

The charts in this workbook hopefully shed more light on the revenue impact of HB 3 on the General Fund

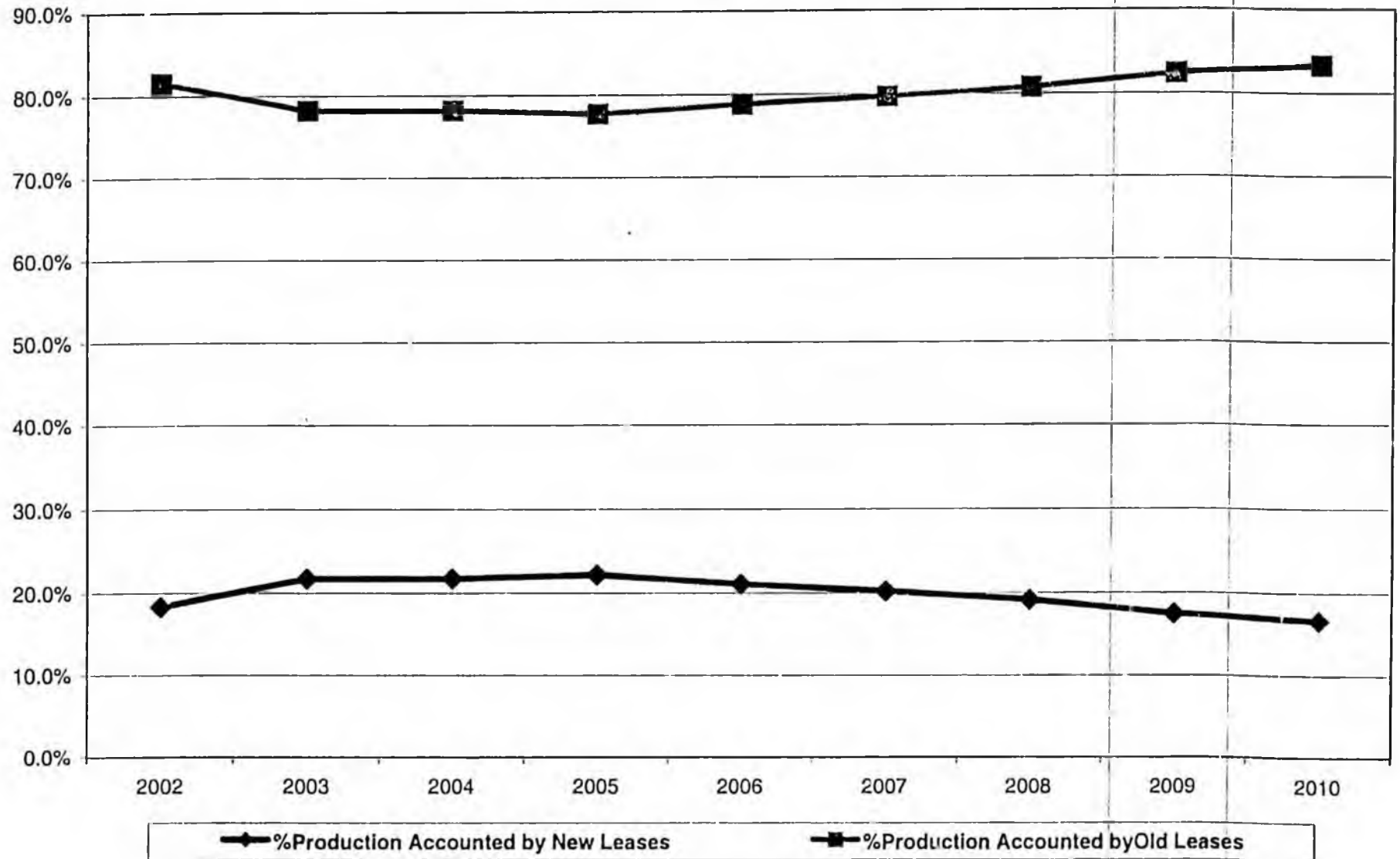
Basically I would summarize as follows:

1. Your percentage calculation method is right on, however, old leases still have most of the remaining reserves.
2. As the first chart in this workbook demonstrates, older fields will continue to dominate production and although some of these old fields contain new leases, the impact of HB 3 begins to decline after 2006 or so.
3. Another factor is that although production from new leases will grow as Alpine and Northstar come on line a good chunk of the new production will come from production in satellite fields that are mostly old leases within existing unitized production.
4. Also, as we discussed, current exploration activity that will lead to new production is focused in NPRA with a 50% passthrough and attendant spending issues.
5. Finally, with respect to ANWR, once again the passthrough may be watered down to 50%. And even with leasing in 2004 we would not expect production to commence until at least 2008 (recall that Alpine was discovered in late Fall 1995)
6. At this point the biggest impact of HB 3 is very much associated with Alpine and Northstar startup and eventually they will begin to deplete. Any other major new lease oil is probably 5 to 10 years off or longer.

ANS Oil Production, Severance Tax, and Gross Royalties by Old Field & New Field



Alaska North Slope Oil Production from Old (25% to PF) and New (50% to PF) Leases



**Royalties to the General Fund with and without HB3 Based on the Department of Revenue
Fall 2000 Forecast Assumptions**

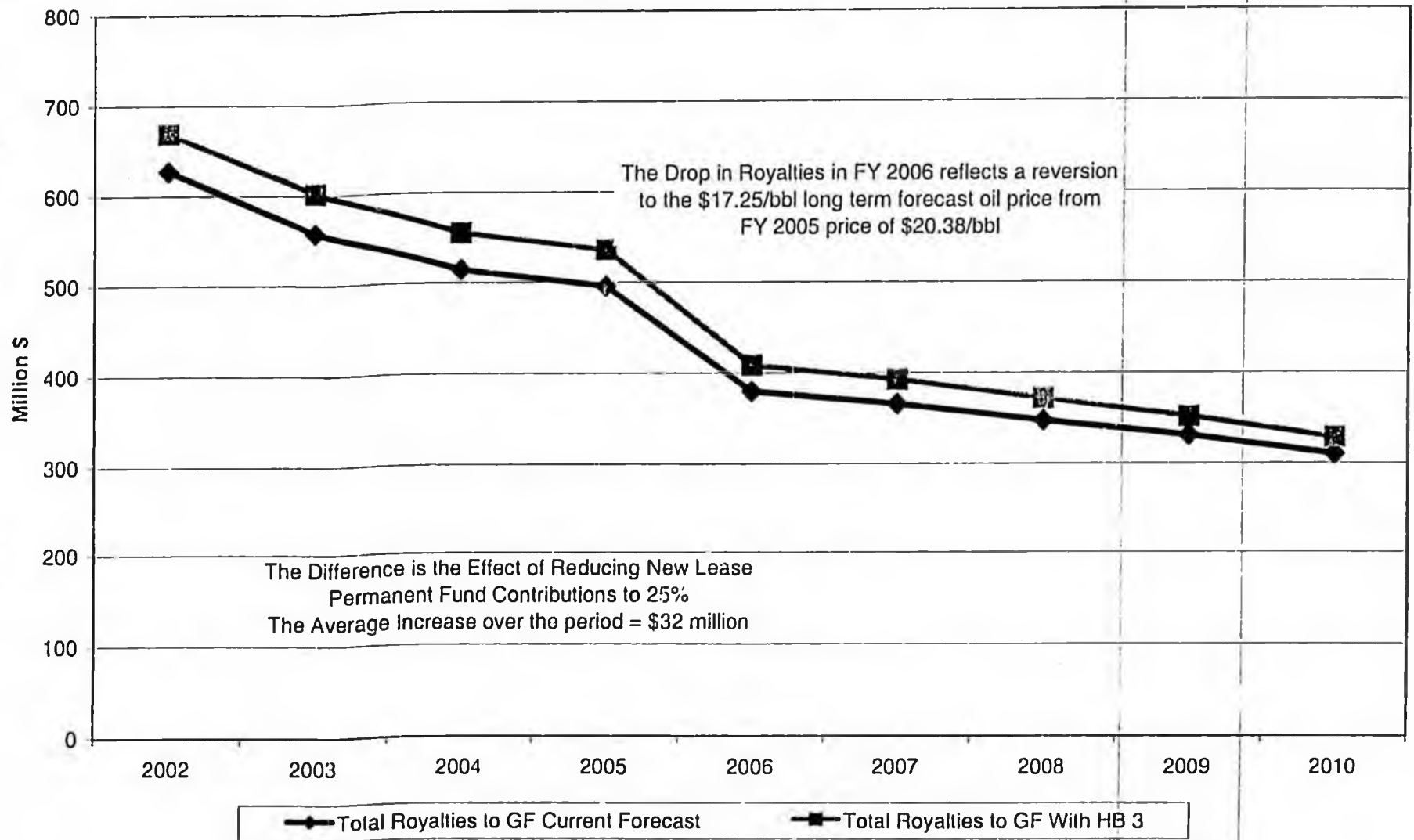


Illustration of the Impact of HB 3 on General Fund Cash Flow--Old Fields and New Fields

Fiscal Year	PF&School			%Production Accounted by	
	Contrib Factor	New Field added	Old Lease Field	Production	New Leases
2002	0.703103324	0.041896676	0.25	1.0465414	18.4%
2003	0.694508904	0.050491096	0.25	1.0606472	21.8%
2004	0.69450984	0.05049016	0.25	1.048123	21.8%
2005	0.693317175	0.051682825	0.25	1.0651355	22.2%
2006	0.696129383	0.048870617	0.25	1.044703	21.1%
2007	0.698334516	0.046665484	0.25	1.015462	20.3%
2008	0.701018528	0.043981472	0.25	0.9824487	19.2%
2009	0.705226978	0.039773022	0.25	0.9493457	17.6%
2010	0.707366276	0.037633724	0.25	0.9049174	16.7%
2011	0.709910131	0.035089869	0.25	0.8412912	15.7%
2012	0.711680382	0.033319618	0.25	0.7875885	15.0%
2013	0.713084528	0.031915472	0.25	0.7408647	14.5%
2014	0.714088504	0.030911496	0.25	0.6997715	14.1%
2015	0.715066902	0.029933098	0.25	0.6747432	13.7%
2016	0.715799615	0.029200385	0.25	0.6404166	13.4%
2017	0.716524084	0.028475916	0.25	0.6090952	13.1%
2018	0.717192771	0.027807229	0.25	0.5806707	12.9%
2019	0.717897908	0.027102092	0.25	0.553975	12.6%
2020	0.718606646	0.026393354	0.25	0.5289799	12.3%

2002
 2003
 2004
 2005
 2006
 2007
 2008
 2009
 2010
 2011
 2012
 2013
 2014
 2015
 2016
 2017
 2018
 2019
 2020

%Production Accounted by Old Leases	NPPRA	Forecast		Forecast		Market Price		Market Price		
		Price	Wellhead	Market Price	Wellhead	Scenario #1	Wellhead	Scenario #2	Wellhead	Scenario #2
81.6%			24.28	18.68	25.00	19.41	18	12.41		
78.2%			22.06	16.60	25.00	19.54	18	12.54		
78.2%			21.06	15.50	25.00	19.43	18	12.43		
77.8%			20.38	14.72	25.00	19.34	18	12.34		
78.9%	0.035		17.25	11.45	25.00	19.20	18	12.20		
79.7%	0.046		17.25	11.32	25.00	19.07	18	12.07		
80.8%	0.081		17.25	11.07	25.00	18.82	18	11.82		
82.4%	0.092		17.25	10.84	25.00	18.59	18	11.59		
83.3%	0.127		17.25	10.62	25.00	18.37	18	11.37		
84.3%	0.138		17.25	10.16	25.00	17.91	18	10.91		
85.0%	0.133		17.25	10.27	25.00	18.02	18	11.02		
85.5%	0.129		17.25	9.96	25.00	17.71	18	10.71		
85.9%	0.12		17.25	9.65	25.00	17.40	18	10.40		
86.3%	0.112		17.25	9.38	25.00	17.13	18	10.13		
86.6%	0.99		17.25	9.05	25.00	16.80	18	9.80		
86.9%	0.877		17.25	8.68	25.00	16.43	18	9.43		
87.1%	0.767		17.25	8.31	25.00	16.06	18	9.06		
87.4%	0.68		17.25	7.91	25.00	15.66	18	8.66		
87.7%	0.59		17.25	7.50	25.00	15.25	18	8.25		

Total Royalties to GF Current Forecast	Total Royalties to.GE.With HB 3	NPRA Effect Current GF	NPRA Effect Current GF
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627.21852	669.0537141	41.83519	
557.743411	602.3069772	44.56357	
514.618511	555.7356579	41.11715	
495.92648	536.4714357	40.54496	
379.802223	409.1935697	29.39135	
366.117736	393.2045401	27.0868	
347.950819	372.2627917	24.31197	
331.244095	352.2739192	21.02982	
310.253886	328.9532204	18.69933	
276.910393	292.5480078	15.63761	
262.639437	276.7809577	14.14152	
240.150245	252.5825156	12.43227	
220.035039	231.1005964	11.06556	
206.402113	216.4854571	10.08334	
189.182331	198.2213251	9.038994	
172.630216	180.9048226	8.074606	
157.823082	165.0425324	7.219451	
143.508648	149.9258948	6.417246	
130.064921	135.7469918	5.682071	

Avg 2002-2010 32.06446

PERMANENT FUND CONTRIBUTION RATES FOR NORTH SLOPE OIL FIELDS
ALASKA DEPT. OF REVENUE FALL 1999 FORECAST

25% Contributing Oil Fields	FY 2000 est. Prod. Millions Bbl/Day	Permanent Fund Average Contribution	Great than 25% Contributing Oil Fields	FY 2000 est. Prod. Millions Bbl/Day	Permanent Fund Average Contribution
PRUDHOE	0.5640	0.25	SAMBUCA	0.0000	0.3125
PBU SATELLITE	0.0008	0.25	MIDNIGHT SUN	0.0048	0.3125
WEST SAK	0.0038	0.25	PBU SCHRADER	0.0000	0.5000
KUP SATELLITE	0.0000	0.25	KUPARUK	0.2220	0.2514
SCHRADER BLUFF	0.0059	0.25	TABASCO	0.0105	0.3125
LISBURNE	0.0070	0.25	TARN	0.0216	0.4065
NIAKUK	0.0270	0.25	MILNE POINT	0.0477	0.3088
EST BEACH/NORTH PRUDHOE	0.0020	0.25	SAG RIVER	0.0001	0.3890
KNOWN ONSHORE	0.0000	0.25	ENDICOTT/SAGDELTA	0.0470	0.2895
CRU SATELLITE	0.0000	0.25	EIDER	0.0013	0.3125
			BADAMI	0.0013	0.5000
			PT MCINTYRE	0.0930	0.2982
			N PBAY STATE	0.0000	0.3125
			ALPINE	0.0000	0.3250
			NORTH STAR	0.0000	0.5000
			LIBERTY	0.0000	0.5000
			KNOWN OFFSHORE	0.0000	0.3890
			NPRA	0.0000	0.5000
			ANWR	0.0000	0.5000
Estimated Total Production (Million Bbl/day)	0.6106			0.4493	

permto25%

Rates by Field

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: HB 3
 (H) Publish Date: 3/13/01

Revision Date/Time (Note if correction): _____ Dept. Affected: Revenue
 Title: Deposit to the Permanent Fund BRU: Revenue Operations
 Component: Tax Division
 Sponsor: Representative Rokeberg
 Requester: House State Affairs Component Number: 2476

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

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Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
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CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()	40,000.0	43,700.0	40,200.0	38,600.0	27,200.0	24,900.0
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FUND SOURCE (Thousands of Dollars)

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1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2001) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This legislation would amend AS 37.13.010(1) and (2) to reduce deposits to the Permanent Fund from 50% to 25% from all state mineral lease royalties, rentals and bonuses (including the state's share of such revenues from federal leases) from leases issued after Dec. 1, 1979.

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The increase in revenue to the general fund under this bill will mean an equal decrease in deposits to the Permanent Fund.

Prepared by: Charles Logson, Chief Economist Phone 907 269 1019
 Division: Tax Division Date/Time 3/3/01 11:00 AM
 Approved by: Larry Persily, Deputy Commissioner Date 03/05/2001
 Agency: Department of Revenue

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ALASKA
★ STATE ★
CHAMBER
OF COMMERCE
STATE

March 26, 2001

Representative Norman Rokeberg
Alaska State Legislature
Juneau, Alaska

Re: HB 3 - Deposits to the Permanent Fund

Dear Representative Rokeberg:

The Alaska State Chamber of Commerce supports House Bill 3, reducing the percentage of state mineral lease rentals, royalties, and royalty sale proceeds to be deposited in the Alaska Permanent Fund from the 50% level set in statute by a previous legislature, to the constitutionally established level of 25%.

The statute requiring that 50% of the mineral lease and royalty income be deposited to the fund was enacted at a time when Alaska's oil revenues were greatly in excess of Alaska's annual budgetary needs. The Permanent Fund was in its infancy, and although the constitution required that 25% of such funds were to go to the Permanent Fund, the goal was to deposit as much excess annual revenue as possible into Alaska's savings account for a future time when oil revenues would be diminished.

Oil revenues are now significantly diminished from the time when the decision was made to double the constitutionally required amount of mineral lease and royalty revenues deposit. The State is now looking for new sources of revenue with which to maintain funding for the programs and services Alaskans have come to expect from state government. With passage of HB 3, 25% of the mineral lease and royalty revenues will become a revenue source, subject to legislative appropriation, for meeting Alaska's fiscal needs.

Sincerely,

Pamela La Bolle
President

LEGISLATIVE RESEARCH REPORT

JANUARY 18, 2001



REPORT NUMBER 01.066

ESTIMATED IMPACT ON THE GENERAL AND PERMANENT FUNDS IF PERMANENT FUND CONTRIBUTIONS WERE AT 25% OF MINERAL INCOME

PREPARED FOR REPRESENTATIVE NORMAN ROKEBERG

BY MARIA GLADZISZEWSKI, MANAGER

Alaska Statute 37.13.010 specifies that 25 percent of income from mineral leases issued before December 1, 1979, must be deposited into the permanent fund.¹ For leases issued after December 1, 1979, required permanent fund contributions are 50 percent of income. You asked us to calculate the effect on the permanent fund and general fund if required deposits to the permanent fund were 25 percent of income from all mineral leases.²

Over the past few years, we have sent you several tables showing actual contributions to the permanent fund from mineral revenues in past years as well as projected revenues from oil and gas royalties for future years. Again this year you asked for an update of material sent to you previously.

Table 1 provides projected future contributions and includes assumptions regarding oil prices and production. Charles Logsdon, petroleum economist at the Alaska Department of Revenue, provided the predictions using data from the department's fall 2000 forecast. As you can see from Table 1, the department's fall 2000 forecasting model predicts that if all deposits to the

¹ This report discusses what happens to state mineral revenues once they are collected. Changes to AS 37.13.010 affect not the amount of revenue collected overall, but how much revenue is deposited into the permanent fund as opposed to the general fund. Deposits to the permanent fund under AS 37.13.010 derive mostly from petroleum (primarily oil royalties), but they also include some revenue from other minerals (mostly coal).

² The majority of mineral income deposited into the permanent fund comes from leases issued before December 1, 1979, and is, therefore, already deposited at the 25 percent rate. Alaska Statute 37.13.010 specifies that the following incomes from leases issued after December 1, 1979, are subject to 50 percent deposits: mineral lease rentals, royalties, royalty sale proceeds, net profit shares, and federal mineral revenue sharing payments. Bonuses received by the state from mineral leases issued after February 15, 1980, are also subject to 50 percent deposits.

permanent fund were at 25 percent of income, additional deposits to the General Fund would average about \$29 million annually over the next 13 years.

The Department of Revenue estimates contributions based on production forecasts on a field-by-field basis. As the table indicates, the model predicts oil prices at over \$30 per barrel for FY2001 with decreases thereafter. The oil prices assumed on the spreadsheet can be changed to roughly estimate the revenue impact on the Permanent and General Funds as oil prices vary.³

It should be noted that the small amount of mineral rent deposited into the state treasury, primarily from coal leases, is not included in the department's forecasting model. Future revenue from currently undiscovered sources of oil are also not included in these projections. The additional general fund revenues predicted in Table 1, therefore, underestimate deposits to the extent that mineral rents and revenues from as yet undiscovered fields are not included in the figures.

Table 2 presents actual contributions to the Permanent Fund from mineral royalties for the years 1990 through 2000. To enable you to look in one place for both past actual deposits and future predictions, Table 2 also repeats (from Table 1) the projected estimated gains to the General Fund for the years 2001 through 2013.

I hope you find this information useful. Please do not hesitate to contact us if you have questions or need additional information.

³ Although possible, the Department of Revenue notes that the daily production numbers on the spreadsheet cannot be as easily changed. Changes to production figures depend on what fields are assumed to change from the baseline and would have to be re-estimated by the Department.

TABLE 2
Contributions to the Permanent and General Funds
from Mineral Lease Income
(millions of dollars)

FISCAL YEAR	Current Deposits to the Permanent Fund From Mineral Leases			If PF Contributions @ 25%	
	Contributing at 25%	Contributing at 50%	TOTAL	Contributions to the Permanent Fund	Gain to the General Fund
1990 (a)	\$259.0	\$11.2	\$270.2	\$264.6	\$5.6
1991 (a)	\$431.0	\$16.7	\$447.7	\$439.3	\$8.4
1992 (a)	\$304.2	\$14.8	\$319.0	\$311.6	\$7.4
1993 (a)	\$269.6	\$13.2	\$282.8	\$276.2	\$6.6
1994 (a)	\$202.3	\$9.1	\$211.3	\$206.8	\$4.5
1995 (a)	\$267.8	\$10.6	\$278.4	\$273.1	\$5.3
1996 (a)	\$236.1	\$18.2	\$254.3	\$245.2	\$9.1
1997 (a)	\$281.2	\$39.4	\$320.7	\$300.9	\$19.7
1998 (a)	\$217.2	\$30.8	\$248.0	\$232.6	\$15.4
1999 (a)	\$136.6	\$21.4	\$158.0	\$147.3	\$10.7
2000 (a)	\$227.9	\$45.2	\$273.1	\$250.5	\$22.6
2001 (b)			\$312.6	\$285.9	\$26.7
2002 (b)			\$260.2	\$224.3	\$35.9
2003 (b)			\$244.6	\$204.4	\$40.2
2004 (b)			\$224.5	\$187.9	\$36.6
2005 (b)			\$211.5	\$176.3	\$35.1
2006 (b)			\$156.3	\$131.6	\$24.7
2007 (b)			\$149.3	\$126.6	\$22.7
2008 (b)			\$141.1	\$120.8	\$20.4
2009 (b)			\$131.6	\$114.2	\$17.3
2010 (b)			\$122.3	\$106.9	\$15.3
2011 (b)			\$107.7	\$95.1	\$12.6
2012 (b)			\$101.4	\$90.0	\$11.3
2013 (b)			\$92.1	\$82.2	\$9.9

NOTES:

(a) Actual deposits--data compiled from actual transfers to the Permanent Fund that were listed in the state's accounting system (AKSAS) and in the "Additional Due the Permanent Fund for Post Chapter 13 Leases" reports. Included are all mineral royalties, rents, interest, and bonus bids.

(b) Projected deposits--based on the Alaska Department of Revenue's fall 2000 revenue forecast (same data as presented in Table 1). Included are oil and gas royalties and bonuses.

SOURCES:

(a) Alaska Department of Natural Resources, SSD/FSS (Cathy Poulos).

(b) Alaska Department of Revenue, Oil & Gas Audit Division (Charles Logsdon).

TABLE 1

Projected Contributions to the Permanent and General Funds

If All Oil & Gas Leases Contributed to the Permanent Fund at 25 Percent of Income, FY 2001 - FY 2013

Fiscal Year	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
	ANS West Coast Price	TAPS, Marine, Other Allowable Costs	Royalty Wellhead Price	Daily Production	Annual Value of Production for Royalties	Average Royalty Rate	North Slope Current Gross Royalties	Current Average Permanent Fund Contribution Rate	Current			If Permanent Fund Contributions @ 25%			
									Contribution to the Permanent Fund from North Slope Oil Royalties	Contribution to the General Fund from North Slope Oil Royalties	Contribution to the General Fund from North Slope Oil Bonuses	Contribution to the Permanent Fund from North Slope Oil Royalties	Contribution to the General Fund from North Slope Oil Royalties	Estimated Gain to the General Fund from Oil Royalties	Estimated Gain to the General Fund from Royalties & Bonuses
									Millions of Dollars	Millions of Dollars	Percent	Millions of Dollars	Percent	Millions of Dollars	
Dollars		Millions of Barrels/Day		Millions of Dollars		Percent	Millions of Dollars		Percent						
A-B		C'D*365		E'F		G'H		G-I	G*25%		G-L	M-J	N+(.5*K)		
2001	\$30.17	\$5.39	\$24.78	1.001	\$9,051.3	13%	\$1,143.5	27%	\$312.6	\$830.9	\$2.2	\$285.9	\$857.6	\$26.7	\$30.2
2002	\$24.28	\$5.59	\$18.68	1.047	\$7,136.6	13%	\$897.2	29%	\$260.2	\$636.9	\$7.1	\$224.3	\$672.9	\$35.9	\$39.5
2003	\$22.06	\$5.46	\$16.60	1.061	\$6,424.6	13%	\$817.6	30%	\$244.6	\$573.1	\$4.0	\$204.4	\$613.2	\$40.2	\$43.8
2004	\$21.06	\$5.57	\$15.50	1.048	\$5,944.1	13%	\$751.5	30%	\$224.5	\$527.1	\$4.0	\$187.9	\$563.7	\$36.6	\$40.3
2005	\$20.38	\$5.66	\$14.72	1.065	\$5,722.4	12%	\$705.3	30%	\$211.5	\$493.8	\$4.0	\$176.3	\$529.0	\$35.1	\$38.9
2006	\$17.25	\$5.80	\$11.45	1.045	\$4,364.7	12%	\$526.4	30%	\$156.3	\$370.0	\$4.0	\$131.6	\$394.8	\$24.7	\$28.6
2007	\$17.25	\$5.93	\$11.32	1.015	\$4,194.2	12%	\$506.4	29%	\$149.3	\$357.1	\$4.0	\$126.6	\$379.8	\$22.7	\$26.7
2008	\$17.25	\$6.18	\$11.07	0.982	\$3,981.7	12%	\$483.0	29%	\$141.1	\$341.9	\$4.0	\$120.8	\$362.3	\$20.4	\$24.4
2009	\$17.25	\$6.41	\$10.84	0.949	\$3,757.6	12%	\$456.9	29%	\$131.6	\$325.3	\$4.0	\$114.2	\$342.7	\$17.3	\$21.4
2010	\$17.25	\$6.63	\$10.62	0.905	\$3,508.8	12%	\$427.7	29%	\$122.3	\$305.5	\$4.0	\$106.9	\$320.8	\$15.3	\$19.5
2011	\$17.25	\$7.09	\$10.16	0.841	\$3,120.5	12%	\$380.4	28%	\$107.7	\$272.6	\$4.0	\$95.1	\$285.3	\$12.6	\$16.8
2012	\$17.25	\$6.98	\$10.27	0.788	\$2,952.3	12%	\$360.2	28%	\$101.4	\$258.8	\$4.0	\$90.0	\$270.1	\$11.3	\$15.6
2013	\$17.25	\$7.29	\$9.96	0.741	\$2,694.2	12%	\$328.9	28%	\$92.1	\$236.8	\$4.0	\$82.2	\$246.7	\$9.9	\$14.2

\$29.0

NOTES: Alaska Statute 37.13.010 specifies that 50 percent of income from mineral leases issued after December 1, 1979, must be deposited into the Permanent Fund. For leases issued before December 1, 1979, required Permanent Fund contributions are 25 percent of income. This table projects future deposits to the Permanent and General Funds if contributions to the Permanent Fund from all leases were at 25 percent of income. Projections are based on the Alaska Department of Revenue's fall 2000 revenue forecast. Figures include oil and gas royalties and bonuses but the relatively small amount of rent from minerals is not included.

SOURCE: Alaska Department of Revenue, Oil & Gas Audit Division (Charles Logsdon).

ALASKA STATE LEGISLATURE

House of Representatives

COMMITTEE ASSIGNMENTS

JUDICIARY COMMITTEE, CHAIRMAN
LABOR & COMMERCE COMMITTEE, MEMBER
LEGISLATIVE COUNCIL, MEMBER
SPECIAL COMMITTEE ON ECONOMIC DEVELOPMENT &
TOURISM, MEMBER

website: <http://www.akrepublicans.org/Rokeberg.htm>



INTERIM:
716 WEST 4TH AVENUE, SUITE 350
ANCHORAGE, AK 99501
PHONE: (907) 269-0117
FAX: (907) 269-0119

SESSION:
ALASKA STATE CAPITOL
JUNEAU, AK 99801-1182
PHONE: (907) 465-4968
FAX: (907) 465-2040

Representative Norman Rokeberg

e-mail: Representative_Norman_Rokeberg@legis.state.ak.us

February 12, 2001

Dear Colleague

HB 3 returns the percentage of all mineral lease royalties and bonuses deposited into the Permanent Fund to the constitutionally mandated 25 percent (please see the attached bill packet).

HB 3 would provide Alaska with a source of General Fund revenue while staying true to the purposes of the Permanent Fund and the intent of our constitution. As the table in your bill packet indicates, passing this bill would generate an extra \$29 million average per year, plus bonus revenues, over the next thirteen years.

This plan will not only help our present economic situation, it will also allow for prudent management of potential future mineral royalties. As the wealth of older fields such as Prudhoe and Kuparuk diminish, we must look at replacing them with newer fields such as Alpine to ensure continued return to the corpus of the Permanent Fund. ["String of Pearls" replaces lift in Prudhoe.]

- This plan is only a tile in the mosaic of any plan to fill the fiscal gap.
- Alaska cannot save its way to prosperity.

It is time for the legislature to begin taking steps to help solve our budget problem, and to plan for the potential future development of Alaska's resources. HB 3 can help us succeed on both fronts and I would appreciate your support on this legislation. However, I do not want to move this legislation without sufficient votes for passage.

Some members have voiced concerns that this bill could be construed as a raid on the Permanent Fund. **It Is Not!** It is a statutory change that recognizes the fiscal reality of our state without raising taxes. Therefore, please get back to me if you need additional information or if I have your support.

Thanks for your consideration,

A handwritten signature in black ink, appearing to read "Norman Rokeberg".

Norman Rokeberg
State Representative
House District 11

Attachments

PS: Look at the attached revenue impacts.



Alaska Permanent Fund Corporation
 P.O. Box 25500 Juneau, Alaska 99802-5500
 (907) 485-2047

MEMORANDUM

DATE: March 6, 2001

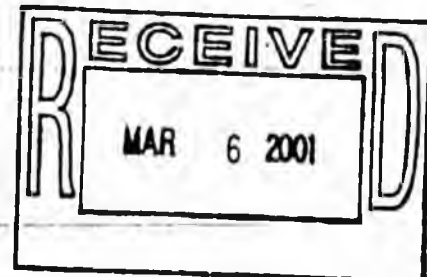
TO: Representative Norman Rokeberg

FROM: Jim Kelly, Director of Communications *JK*

SUBJECT: **Impact of HB 3 on Oil Contributions and Per Capita Dividends (REVISED)**

You have asked about the impact of House Bill 3 on future oil contributions and per capita dividends. Based on our financial analysis (see attached), the impact on oil contributions will total \$333 million between 2001-2011. The impact on per capita dividends will total \$90 over the same 11 years. Please let me know if you have any additional questions.

cc: Executive Director
 Board of Trustees
 Governor's Legislative Liaison
 DOR Deputy Commissioner



HB

4

HFIN

FILE

HOUSE COMMITTEE REPORT

(11)

Date Referred to Committee: April 5, 2001

FURTHER REFERRALS:

Date of Committee Action: 4/28/01

The FINANCE Committee considered:

HB 4

HOUSE BILL NO. 4

OMNIBUS DRUNK DRIVING AMENDMENTS

"An Act relating to offenses involving operating a motor vehicle, aircraft, or watercraft while under the influence of an alcoholic beverage or controlled substance; relating to implied consent to take a chemical test; relating to registration of motor vehicles; relating to presumptions arising from the amount of alcohol in a person's breath or blood; and providing for an effective date."

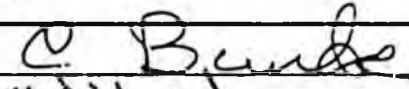

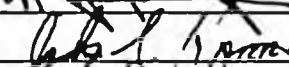
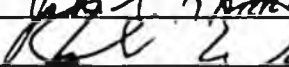
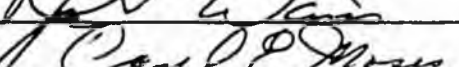

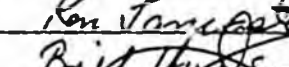

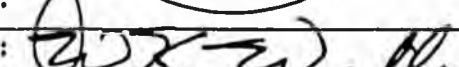
Recommends it be replaced with CS HB 4 (FIN) [] Same Title [] New Title
 For Senate Bills with new title: [] Technical Title [] New Title: HCR _____

- [] attach amendments
- [] add new referral to _____ Committee
- [] Letter of Intent _____ Committee

List of Abbrev. For Depts.:
 ADM
 CED
 COR
 CRT
 EED
 DEC
 DFG
 GOV
 HSS
 LAA
 LAW
 LWF
 MVA
 DNR
 DPS
 REV
 DOT
 UA

<u>NEW FISCAL NOTES</u>				
*For Chief Clerk's Office Use Only				
FN#	List by Dept(s):	Fiscal	Indet.	Zero
	ADM	✓		
	ADM	✓		
	COR	✓		
	LAW	✓		
	DPS	✓		

<u>PREVIOUS FISCAL NOTES</u>				
List by Dept(s):	FN #	Fiscal	Indet.	Zero
HSS	11			✓
HSS	12			✓
HSS	5			
HSS	6			
Court	16			

<u>Signing with recommendations</u>	Printed Last Name	DP	DNP	NR	AM
	Bunde	✓			
	Whitaker				✓
	Harris			✓	
	Davis			X	
	MOSES			X	
	Landaster	✓			
	Hudson	✓			
	FOSTER	X			
Chair: 	Williams			✓	

NO/OBJ

22-LS0046R.3
Ford
4/27/01

AMENDMENT

OFFERED IN THE HOUSE

TO: CSHB 4(JUD)

- 1 Page 1, lines 1 - 9:
- 2 Delete all material.
- 3 Insert **""An Act relating to motor vehicles and to operating a motor vehicle,**
- 4 **aircraft, or watercraft; and providing for an effective date.""**

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: CSHB 4 (JUD)
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Law
 Title "An Act relating to offenses involving operating a BRU Criminal Division; Civil Division
motor vehicle, . . . under the influence . . ." Component 3rd-4th Judicial Districts;
 Sponsor Representative Rokeberg Collections & Support
 Requester House Finance Committee Component No. 2201:61:79:10

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services	591.8	712.9	712.9	834.0	834.0	834.0
Travel	1.6	2.0	2.0	2.4	2.4	2.4
Contractual	93.2	111.9	111.9	130.6	130.6	130.6
Supplies	8.6	10.2	10.2	11.8	11.8	11.8
Equipment	58.5	6.5	0.0	6.5	0.0	0.0
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	753.7	843.5	837.0	985.3	978.8	978.8

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

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

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	704.4	800.7	794.2	942.5	936.0	936.0
1005 GF/Program Receipts	49.3	42.8	42.8	42.8	42.8	42.8
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	753.7	843.5	837.0	985.3	978.8	978.8

Estimate of any current year (FY2001) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal:

POSITIONS

Full-time	9	10	10	11	11	11
Part-time	0	0	0	0	0	0
Temporary						

ANALYSIS: (Attach a separate page if necessary)

CSHB 4 (JUD) makes numerous changes to the state's laws relating to driving under the influence of alcoholic beverages or controlled substances. These changes include renaming driving while intoxicated (DWI) as driving while under the influence (DUI), lowering the blood alcohol threshold for DUI to .08 from 0.10; increasing administrative and criminal penalties for DUI offenses; requiring vehicle forfeiture for repeat offenders; and requiring treatment costs be reimbursed to the state.

The changes in the bill which will have a fiscal impact on the Department of Law are: reducing the blood alcohol threshold for DUI to 0.08; the phasing in of a 10-year "look back" for felony DUI in place of the current 5-year "look back"; collection of treatment costs; and requiring vehicle forfeiture for second and subsequent convictions for DUI or refusal to submit to a chemical test. Each issue is addressed separately below. The department also anticipates an increase in the number of driving with a suspended or

Prepared by: Joan M. Kasson Phone 465-5370
 Division: Attorney General's Office Date/Time 4/13/01 2:25 PM
 Approved by: Kathryn Daughhete for Bruce M. Botelho, Attorney General Date 4/13/01
 Agency: Department of Law

For distribution information, call the Governor's Legislative Office

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

BILL NO. CSHB 4 (JUD)

ANALYSIS CONTINUATION

revoked driver's license misdemeanor charges will occur as a result of the increased fines and license revocation penalties; however, the impact is too speculative to quantify.

Reduce blood alcohol threshold for DUI from 1.0 to 0.08 percent by weight.

In FY00, the Criminal Division accepted for prosecution 3,218 misdemeanor and 213 felony DUI referrals by law enforcement throughout the state. Recently received statistics from the Anchorage Police Department indicate there would be about a 6 percent increase in DUI referrals due to the lowering of the blood alcohol threshold to 0.08. Experience has varied in other states that have reduced from 0.10 to 0.08 the limit for driving while intoxicated (California, Maine, Oregon, and Utah). Some states have experienced a 20 to 40 percent increase in DUI cases. We believe a conservative estimate for the increase is about 10 percent. This would result in 322 additional misdemeanor and 21 felony DUI cases, which are much more time-consuming to prosecute than misdemeanors. The Department of Law assumes that municipalities which presently prosecute misdemeanor DUI will amend their ordinances to mirror the change in state law. If this does not occur, the estimated number of misdemeanor prosecutions is understated.

Much of the anticipated increase in prosecutions will occur in southcentral Alaska. Because Anchorage is the hub from which prosecutors are sent to assist other offices in times of overload, it will be necessary to add one new full-time attorney position to the Criminal Division's Anchorage District Attorney's Office.

The Collections unit in the Civil Division's Collections and Support section collects judgments for criminal fines, cost of incarceration for DUI offenders, and cost of court appointed counsel. The change to 0.08 as the threshold for DUI offenses will increase the number of judgments the unit is required to collect annually. Assuming an 80-85 percent conviction rate, the unit anticipates receiving 280 judgments for criminal fines as a result of this change, and 280 judgments for the cost of incarceration. In addition, approximately 80 percent of the offenders are expected to have judgments for the cost of court appointed counsel, 220 in all.

In order to process and collect the estimated 780 new judgments each year, Collections unit personnel must enter the judgment data into the collections data base, post payments received, prepare PFD attachment packets for the court system and Department of Revenue, enter adjustments and process refunds when necessary, respond to phone calls from defendants, court personnel, prosecutors, and other state agencies, prepare satisfactions of judgments, and prepare quarterly or annual reporting of collections data. Much of this work can be handled by existing staff. However, the additional data entry and phone calls will require an additional half-time Administrative Clerk II.

Collection of the cost of treatment

The bill requires the state to seek reimbursement from a person's permanent fund dividend if they do not pay the cost of alcohol or substance abuse treatment required under CSHB 4 (JUD) themselves. Corrections anticipates 240 felons will require treatment in the first year, with the number increasing by 38 each year as the increased look back period for felony DUI is phased in, reaching a total of 390 after 5-years. The addition of these treatment judgments to the Collections unit caseload, when combined with the 780 new judgments discussed in the 0.08 BAC section, will require the Administrative Clerk II position be full-time, rather than half-time.

Increase "look back" for felony DUI from 5-years to 10-years

Under current law, for the purposes of charging an offender with felony DUI, the state can only "look back" 5-years for the first two offenses. If any of the prior offenses are older than 5-years, the charge remains a misdemeanor. This section will phase in a 10-year look back period for felony DUI, one year at a time, over the next five years.

Based on Division of Motor Vehicle (DMV) data, it is estimated that increasing the limit to 10-years for how old prior convictions must be in order for the third offense to be charged as felony DUI will result in approximately 240 new felony DUI referrals per year when fully phased in. The Criminal Division estimates approximately 95 percent of these will be accepted for prosecution, based on acceptance rates for current felony DWI prosecutions. This would mean approximately 225 new felony prosecutions in all. For the purposes of this fiscal note, the Department of Law assumes the new felonies will phase in evenly over the 5-year phase in period: 45 new felony prosecutions in FY02, 90 in FY03, 135 in FY04, 180 in FY05, and 225 in FY06.

Felony prosecutions are much more resource intensive than misdemeanor prosecutions. Because the penalties are so much higher, defendants are more likely to vigorously challenge the charge, and less likely to settle prior to trial. The Criminal Division anticipates it would need two new FTE attorney positions to handle these new felony cases, to both screen the referrals and prosecute those that are accepted. These positions would phase in as the number of new felony referrals increase. We anticipate that one new FTE attorney for the Anchorage DAO would be necessary in FY03, and one new FTE attorney for the Fairbanks DAO in FY 05.

STATE OF ALASKA
2001 LEGISLATIVE SESSION

BILL NO. CSHB 4 (JUD)

ANALYSIS CONTINUATION

Vehicle forfeiture

Upon conviction of a second or subsequent DUI or refusal to take a chemical test, this section would require the court to order forfeiture of the motor vehicle or aircraft used in the commission of the offense. Forfeiture proceedings require a motion for forfeiture be filed with the court, and a hearing date set by the court upon receipt of the motion. Once the hearing date is set, the state must notify anyone who might have an ascertainable ownership or security interest in the vehicle or aircraft about the proceeding. A person claiming an ownership or security interest may then intervene and appear at the hearing in order to prove to the court they should be paid for their interest.

The Criminal Division estimates there will be 800 forfeiture hearings per year as a result of enactment of this section: approximately 100 to 150 per year in Kenai, in Palmer, and in Fairbanks, and approximately 100 per year in Anchorage. (Although the Municipality of Anchorage prosecutes misdemeanor DUI, the Department of Law prosecutes all felonies.) The remaining hearings would be spread throughout the rest of the state. Preparation for these hearings will involve research on ownership interests and paperwork. The Criminal Division estimates it will need to add four new FTE paraprofessional positions, one each in Anchorage, Kenai, Fairbanks, and Palmer, and 1 new FTE attorney position in Fairbanks to handle these cases. In addition, 2 new legal secretary positions will be necessary, one each in Anchorage and Kenai.

All position costs except the Collections unit position are based on the department's FY02 cost allocation plan, and include clerical support, communications, space, supplies, data processing, and other normal overhead expenses. Collections unit positions are specialized, and are not recovered through the cost allocation plan. The standard cost does not include one-time new equipment purchases, and \$6,500 per position is included. Proportionate support position funding is included in the standard attorney and paraprofessional cost schedule at a rate of approximately one support position for every three professional positions. Position authorizations for the support positions are required, however, and the two FTE legal secretary positions discussed in the vehicle forfeiture section above are requested, along with \$6,500 for one-time equipment costs for each position. The remaining clerical support funding embedded in the rate will be used to reduce clerical support vacancy so that the other new attorneys' clerical burdens can be handled. A summary of line-item costs by position for each section of CSHB 4 (JUD) narrated above follows:

Component	Position	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
<u>0.08 BAC (10 percent caseload increase)</u>							
Criminal Division: 3rd Judicial District: Anchorage (2261)							
	100 1 FTE Attorney	121.1	121.1	121.1	121.1	121.1	121.1
	200	0.4	0.4	0.4	0.4	0.4	0.4
	300	18.7	18.7	18.7	18.7	18.7	18.7
	400	1.6	1.6	1.6	1.6	1.6	1.6
	500	6.5					
	Total 1004 General Fund	148.3	141.8	141.8	141.8	141.8	141.8
Civil Division: Collections & Support (2210)							
	100 1 PFT Admin Clerk II	17.4	17.4	17.4	17.4	17.4	17.4
	200 (1/2 cost shown in 300)	0.0	0.0	0.0	0.0	0.0	0.0
	300 Treatment Cost section)	7.0	7.0	7.0	7.0	7.0	7.0
	400	1.0	1.0	1.0	1.0	1.0	1.0
	500	6.5					
	Total 1005 GF/Program Receipts	31.9	25.4	25.4	25.4	25.4	25.4
0.08 BAC Total		180.2	167.2	167.2	167.2	167.2	167.2
<u>Collection of Treatment Costs</u>							
Civil Division: Collections & Support (2210)							
	100 1/2 cost Admin Clerk II	17.4	17.4	17.4	17.4	17.4	17.4
	200 shown in 0.08 section						
	300						
	400						
	500						
	Total 1005 GF/Program Receipts	17.4	17.4	17.4	17.4	17.4	17.4

STATE OF ALASKA
2001 LEGISLATIVE SESSION

BILL NO. CSHB 4 (JUD)

ANALYSIS CONTINUATION

Component	Position	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
<u>Phase in 10-year Look Back</u>							
Criminal Division: 3rd Judicial District: Anchorage (2261)							
	100 1 FTE Attorney		121.1	121.1	121.1	121.1	121.1
	200		0.4	0.4	0.4	0.4	0.4
	300		18.7	18.7	18.7	18.7	18.7
	400		1.6	1.6	1.6	1.6	1.6
	500		6.5				
	Total 1004 General Fund	0.0	148.3	141.8	141.8	141.8	141.8
Criminal Division: 4rd Judicial District (2201)							
	100 1 FTE Attorney				121.1	121.1	121.1
	200				0.4	0.4	0.4
	300				18.7	18.7	18.7
	400				1.6	1.6	1.6
	500				6.5		
	Total 1004 General Fund	0.0	0.0	0.0	148.3	141.8	141.8
Felony Look Back Total		0.0	148.3	141.8	290.1	283.6	283.6
<u>Vehicle Forfeitures</u>							
Criminal Division: 3rd Judicial District: Anchorage (2261)							
	100 1 FTE Paraprofessional	78.7	78.7	78.7	78.7	78.7	78.7
	200 1 PFT Legal Secy	0.2	0.2	0.2	0.2	0.2	0.2
	300	12.2	12.2	12.2	12.2	12.2	12.2
	400	1.1	1.1	1.1	1.1	1.1	1.1
	500	13.0					
	Total 1004 General Fund	105.2	92.2	92.2	92.2	92.2	92.2
Criminal Division: 3rd Judicial District: Outside Anchorage (2279)							
	100 2 FTE Paraprofessional	157.4	157.4	157.4	157.4	157.4	157.4
	200 1 PFT Legal Secy	0.4	0.4	0.4	0.4	0.4	0.4
	300	24.4	24.4	24.4	24.4	24.4	24.4
	400	2.2	2.2	2.2	2.2	2.2	2.2
	500	19.5					
	Total 1004 General Fund	203.9	184.4	184.4	184.4	184.4	184.4
Criminal Division: 4rd Judicial District (2201)							
	100 1 FTE Attorney	199.8	199.8	199.8	199.8	199.8	199.8
	200 1 FTE Paraprofessional	0.6	0.6	0.6	0.6	0.6	0.6
	300	30.9	30.9	30.9	30.9	30.9	30.9
	400	2.7	2.7	2.7	2.7	2.7	2.7
	500	13.0					
	Total 1004 General Fund	247.0	234.0	234.0	234.0	234.0	234.0
Forfeiture Total		556.1	510.6	510.6	510.6	510.6	510.6

FISCAL NOTE

**STATE OF ALASKA
2001 LEGISLATIVE SESSION**

BILL NO. CSHB 4 (JUD)

ANALYSIS CONTINUATION

Component	Position	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
<u>CSHB 4 (JUD) by component</u>							
Criminal Division: 3rd Judicial District: Anchorage (2261)							
100		199.8	320.9	320.9	320.9	320.9	320.9
200		0.6	1.0	1.0	1.0	1.0	1.0
300		30.9	49.6	49.6	49.6	49.6	49.6
400		2.7	4.3	4.3	4.3	4.3	4.3
500		19.5	6.5	0.0	0.0	0.0	0.0
Total 1004 General Fund		253.5	382.3	375.8	375.8	375.8	375.8
Criminal Division: 3rd Judicial District: Outside Anchorage (2279)							
100		157.4	157.4	157.4	157.4	157.4	157.4
200		0.4	0.4	0.4	0.4	0.4	0.4
300		24.4	24.4	24.4	24.4	24.4	24.4
400		2.2	2.2	2.2	2.2	2.2	2.2
500		19.5	0.0	0.0	0.0	0.0	0.0
Total 1004 General Fund		203.9	184.4	184.4	184.4	184.4	184.4
Criminal Division: 4rd Judicial District (2201)							
100		199.8	199.8	199.8	320.9	320.9	320.9
200		0.6	0.6	0.6	1.0	1.0	1.0
300		30.9	30.9	30.9	49.6	49.6	49.6
400		2.7	2.7	2.7	4.3	4.3	4.3
500		13.0	0.0	0.0	6.5	0.0	0.0
Total 1004 General Fund		247.0	234.0	234.0	382.3	375.8	375.8
CRIMINAL DIVISION TOTAL		704.4	800.7	794.2	942.5	936.0	936.0
Civil Division: Collections & Support (2210)							
100		34.8	34.8	34.8	34.8	34.8	34.8
200		0.0	0.0	0.0	0.0	0.0	0.0
300		7.0	7.0	7.0	7.0	7.0	7.0
400		1.0	1.0	1.0	1.0	1.0	1.0
500		6.5					
Total 1005 GF/Program Receipts		49.3	42.8	42.8	42.8	42.8	42.8
CIVIL DIVISION TOTAL		49.3	42.8	42.8	42.8	42.8	42.8
<u>CSHB 4 (JUD) SUMMARY</u>							
100		591.8	712.9	712.9	834.0	834.0	834.0
200		1.6	2.0	2.0	2.4	2.4	2.4
300		93.2	111.9	111.9	130.6	130.6	130.6
400		8.6	10.2	10.2	11.8	11.3	11.8
500		58.5	6.5	0.0	6.5	0.0	0.0
DEPARTMENT TOTAL		753.7	843.5	837.0	985.3	978.8	978.8
1004 GF		704.4	800.7	794.2	942.5	936.0	936.0
1005 GF/Prgm		49.3	42.8	42.8	42.8	42.8	42.8
PFT		9	10	10	11	11	11
PPT		0	0	0	0	0	0

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: CSHB 4 (JUD)
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Public Safety
 Title: Registration of Motor Vehicle, Operating Motor BRU: AST Detachment
Vehicle, Aircraft, Watercraft while Intoxicated & Drivers License Component: AST Detachment
 Sponsor: Representative Rokeberg
 Requester: House Transportation Committee Component Number: 2325

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services	47.6	47.6	47.6	47.6	47.6	47.6
Travel	7.5	7.5	7.5	7.5	7.5	7.5
Contractual	97.9	97.9	97.9	97.9	97.9	97.9
Supplies	162.5	162.5	162.5	162.5	162.5	162.5
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	315.5	315.5	315.5	315.5	315.5	315.5

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

1002 Federal Receipts						
1003 GF Match						
1004 GF	315.5	315.5	315.5	315.5	315.5	315.5
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	315.5	315.5	315.5	315.5	315.5	315.5

Estimate of any current year (FY2001) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal:

POSITIONS

Full-time	1	1	1	1	1	1
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Forfeiture Program/ Immobilization for 2nd DWI Offense

This legislation will require one full-time Procurement Specialist I, range 14 position to manage the forfeiture inventory (100 vehicles and 50 snow-machines). Included in this analysis are the transportation costs, storage costs, immobilization device costs and I/M Test Fees. The transportation costs include twenty-five percent of the vehicles would require long-distance transportation (vehicle transport contractor - \$900 per vehicle) and seventy-five percent by short-distance (towing companies - \$50 per vehicle). The storage of vehicle (\$450 annually), snow-machine (\$350 average) would be contracted out, and the purchase of 400 immobilization devices (\$400 each). The following costs are not included in this fiscal note: the administrative fee charged for the sale of vehicles (5% - 10% of sale proceeds); loan payoff of vehicles forfeited; and secure arrangements for vehicle storage. See attached sheets for additional detail.

Also included is a cost estimate if forfeiture was based on 3rd offense instead of 2nd offense.

Prepared by: Lt. Steve Dunnagan Phone 269-4532
 Division: Division of Alaska State Troopers Date/Time 4/20/01 1:00 PM
 Approved by: Commissioner Glenn G. Godfrey Date 4/20/01
 Agency: Department of Public Safety

For distribution information, call the Governor's Legislative Office

CSHB 4 (JUD) - Vehicles Forfeited or Immobilization on 2nd DWI Offense

		Procurement Specialist I, Range 14, Anchorage	47,600		
		Travel for Auctions	7,500		
Type	Location	Vendor	Shipment or Annual Cost	Est. Annual #	Cost
Vehicle	Long Distance (25%)	AK Veh Tran	\$ 900	25	\$ 22,500
Vehicle	Short Distance (75%)	Towing Co.	\$ 50	75	\$ 3,750
I/M Test	Fbx/Anc - 30% of 100	Xpress Lube	\$ 55	8	\$ 413
Snowmachine Transp	Anch, Palmer, Fbx	Transp	\$ 350	50	\$ 17,500
Vehicle Storage	Anch, Palmer, Fbx	Auto / RV	\$ 450	100	\$ 45,000
Contractual Cost for One Position (phones, computer, postage, DP Svc)					\$ 8,700
Total Contractual Costs					\$ 97,863
Immobilization Devices (400 x \$400 each)					\$ 160,000
Office and DP Supplies for One Position					\$ 2,500
Total Supplies Costs					\$ 162,500
TOTAL					\$ 315,463

Assumption: 1,000 convictions, 55% forfeited or court ordered immobilized (450 vehicles and 50 snowmachines). Of the 500, we assume that 80% or 400 vehicles will be ordered immobilized and only 100 will be forfeited.

Analysis does not include: 1. secure arrangement for vehicle storage. 2. Sale of Vehicle 5% Admin Fee. 3. Vehicle Loan Payoff - forfeited vehicles.

CSHB 4 - Vehicle Forfeited on 3rd Offense Only

		Procurement Specialist I, Range 14, Anchorage	47,600		
		Travel for Auctions	5,000		
Type	Location	Vendor	Shipment or Annual Cost	Est. Annual #	Cost
Snowmachine	Bethel/Nome - Anc	NAC	\$ 210	13	\$ 2,625
Vehicle	Long Distance (25%)	AK Veh Tran	\$ 900	13	\$ 11,250
Vehicle	Short Distance (75%)	Towing Co.	\$ 50	38	\$ 1,875
I/M Test	Fbx/Anc - 30% of 200	Xpress Lube	\$ 55	15	\$ 825
Snowmachine Storage	Anch, Palmer, Fbx	Auto / RV	\$ 350	13	\$ 1,375
Vehicle Storage	Anch, Palmer, Fbx	Auto / RV	\$ 450	50	\$ 22,500
Contractual Cost for Position (phones, computer, postage, DP Svc)					\$ 8,700
Total Contractual Costs					\$ 52,150
Office and DP Supplies for Position					Total Supply Costs \$ 2,500
TOTAL					\$ 107,250

Assumption: 500 convictions, 60% forfeited (250 vehicles and 50 snowmachines), 75% of forfeitures disposed to Charity, Non-Profit Corporations and/or Local Governments. 25% disposed to AST for their use or storage for public auction.

Analysis does not include: 1. secure arrangement for vehicle storage. 2. Sale of Vehicle 5% Admin Fee. 3. Vehicle Loan Payoff - forfeited vehicles.

FISCAL NOTE

**STATE OF ALASKA
2001 LEGISLATIVE SESSION**

Fiscal Note Number: _____
 Bill Version: CSHB 4 (JUD)
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Administration
 Title: "An Act relating to offenses involving operating BRU: Motor Vehicles
a motor vehicle, aircraft, or watercraft while under the..." Component: _____
 Sponsor: Representative Rokeberg
 Requester: H (FIN) Component Number: 2348

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services	153.8	153.8	153.8	153.8	153.8	153.8
Travel						
Contractual	24.4	22.2	22.2	22.2	22.2	22.2
Supplies	6.8	1.4	1.4	1.4	1.4	1.4
Equipment	21.6	0.0	0.0	0.0	0.0	0.0
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	206.6	177.4	177.4	177.4	177.4	177.4

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES (1005)	347.5	347.5	347.5	347.5	347.5	347.5
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	206.6	177.4	177.4	177.4	177.4	177.4
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	206.6	177.4	177.4	177.4	177.4	177.4

Estimate of any current year (FY2001) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal:

POSITIONS

Full-time	3	3	3	3	3	3
Part-time	1	1	1	1	1	1
Temporary						

ANALYSIS: (Attach a separate page if necessary)

See Page 2 for detailed analysis.

Prepared by: Charles R. Hosack Phone 269-5559
 Division: Motor Vehicles Date/Time April 6, 2001
 Approved by: Jim Duncan, Commissioner Date 4/6/01
 Agency: Department of Administration

For distribution information, call the Governor's Legislative Office

CSHB 4 (JUD) DMV Fiscal Note Continuation

This bill will have a fiscal impact in two separate areas of the division.

1. Administrative Hearings

Before DMV can take any action on a driver license or vehicle registration, it must offer the person affected an opportunity to contest the action in an administrative hearing. There are four sections in this bill that will increase the number of hearings conducted.

Section 7 of the bill requires DMV to revoke the registration of any vehicle operated in a DUI offense (5400 arrests in 2000). Offenders, owners, and co-owners may request a hearing on this revocation. First time offenders may request limited registration privileges in the last 60 days of the registration revocation. Sections 35 and 48 require the surrender of license plates for all vehicles owned by the offender. Co-owners may request a hearing to contest this action. Section 28 of the bill lowers the BAC threshold to .08. The state estimates that this will increase DUI arrests by 5-15% and many of those offenders will request a hearing and then appeal the new .08 BAC to superior court.

Cases are now scheduled for hearing 30 – 45 days out. The division's 2 hearing officers are fully occupied with the current caseload. Adding cases without additional staffing will push hearing dates out 60 days or more. The timeliness of the hearings is a critical factor since the offender is allowed to continue to drive while awaiting a hearing. These hearings are a quasi-judicial process and will require one additional hearing officer and one support person. All correspondence related to the hearing must be sent by registered mail and this will increase postage costs.

	First Year	On-going Years
1 PFT Hearing Officer, range 16	\$55.1	\$55.1
1 PFT position for admin support, range 10	\$39.5	\$39.5
Equipment and associated costs	\$17.4	\$ 2.8
Postage (5000 letters @ 3.60)	\$18.0	\$18.0
Total Cost	\$130.0	\$115.4

2. Sections 33 and 47 Registration Revocation on All Vehicles Owned by Felony Offenders
Sections 35 and 48 Surrender of License Plates for Repeat Offenders

These four sections are grouped together because the work actions are the same. DMV must either revoke registrations or require the surrender of license plates. Each action requires researching the vehicle records, making multiple entries in the record, and, in the case of revocations, sending notice to the vehicle owners and issuing a new registration. Additional work will be required to reinstate the registrations after the revocation period.

	First Year	On-going Years
1.5 PFT position for admin support, range 10	\$59.2	\$59.2
Equipment and associated costs	\$17.4	\$ 2.8
Total Cost (First Year)	\$76.6	\$62.0

3. Revenue

The license reinstatement fees for DWI offenders is increased by \$100 for first time offenders and by \$250 for repeat offenders. On average there are 3200 first time offenders and 1500 repeat offenders each year. Approximately 50% of these will reinstate the license. The remainder either leave the state or find the cost of the required insurance unaffordable. The combined revenue for those that do reinstate is estimated to be \$347,500 annually.

FISCAL NOTE

**STATE OF ALASKA
2001 LEGISLATIVE SESSION**

Fiscal Note Number: _____
 Bill Version: CS HB 4 (JUD)
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Administration
 Title: "An Act relating to offenses involving operating a motor vehicle..." BRU: Legal & Advocacy
 Sponsor: Representative Rokeberg Component: Public Defender Agency
 Requester: (H) FIN Component Number: 1631

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services	337.8	381.1	422.9	470.5	470.5	470.5
Travel	11.9	13.7	15.4	17.2	17.2	17.2
Contractual	62.4	75.6	88.7	101.9	101.9	101.9
Supplies	7.1	8.1	9.0	10.0	10.0	10.0
Equipment	37.8	7.0	7.0	7.0	4.6	4.6
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	457.0	485.5	543.0	606.6	604.2	604.2

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

1002 Federal Receipts						
1003 GF Match						
1004 GF	457.0	485.5	543.0	606.6	604.2	604.2
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	457.0	485.5	543.0	606.6	604.2	604.2

Estimate of any current year (FY2001) cost: 0.0

POSITIONS

Full-time	5.5	6.0	6.5	7.0	7.0	7.0
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

CSHB4(JUD) is an omnibus bill making significant changes to driving while under the influence (DUI) laws.

The changes in the bill that will have the most fiscal impact on the Public Defender Agency are:

- Sec. 28 (Reducing blood alcohol level to .08 from .10 for DUIs);
 - Secs. 33 & 47 (Phasing in a 10-year "look-back" period for prior convictions for felony DUI & refusal);
 - Secs. 29,33,42,47, & 52 (Mandating vehicle forfeiture for second and subsequent DUI's and Refusals);
- and the various Sections that increase fines, penalties, license revocation periods.

(Analysis continued on Pages 2 through 4)

Prepared by: Barbara Brink, Director Phone (907) 334-4414
 Division: Public Defender Agency Date/Time 04/13/01
 Approved by: Jim Duncan, Commissioner Date 4/13/01
 Agency: Department of Administration

For distribution information, call the Governor's Legislative Office

ANALYSIS: (continued)

Sec. 28 - Reducing blood alcohol level to .08 from .10 for DUIs.

The Public Defender Agency accepts the Department of Law's estimate of a 10 percent increase in prosecutions as a result of reducing the blood alcohol level threshold for DUIs from .10 to .08. This is a conservative estimate. As the Department of Law points out, experience in other states varies. But in Maine, as state similar to Alaska in some respects (smaller population, Northern climate), there was about a 20 percent increase in prosecutions. The Public Defender Agency will be appointed in about 75% of the cases. Using Department of Law estimate of the number of prosecutions, the Agency will be appointed to an additional 242 misdemeanor cases and 16 felony cases. We will need one additional full-time attorney to handle this increased caseload. Because our Palmer office handles a significant number of DUI cases, we will place the attorney at that office. (See the spreadsheet below for the costs of this position.)

Secs. 33 & 47 - Phasing in a 10-year "look-back" period for prior convictions for felony DUI.

This section would phase in a 10-year "look-back" for prior convictions. Again, the Public Defender Agency accepts the Department of Law's estimate of the number of new cases that would result from this change in the law. As above, we estimate that we will be appointed in about 75% of these cases. The end result is that by FY06, the Public Defender Agency will have an increased caseload of 182 felony DUIs. We will eventually need two additional attorneys to handle this caseload. Because the effect of this provision will be felt beginning in FY02 and, we will add a half-time attorney in Anchorage in FY02, add a half-time attorney in Palmer in FY03, make the half-time attorney in Anchorage full time in FY04, and add a half-time attorney in Fairbanks in FY05. (See the spreadsheet below for the costs of these positions.)

Secs. 29,33,42,47, & 52 - Mandatory Vehicle Forfeiture.

These sections would require vehicle forfeiture upon conviction of a third or subsequent DUI or Refusal. Forfeiture or immobilization would be mandatory after a second conviction for DUI or Refusal. Forfeiture would also be required after a felony DUI or Refusal conviction. These hearings would be part of the sentencing in a criminal case, so defendants would have a right to assistance of counsel. Unlike most of the work the Public Defender Agency currently does, these hearings involve complicated issues of ownership and security interests. The Public Defender Agency would not have as much legal work to do in these hearings as the Department of Law, and, again, we will only be appointed in 75% of the cases. Nevertheless, we will need three paraprofessionals to effectively represent defendants if this provision is enacted. We would place Paralegals in our Anchorage, Fairbanks, and Palmer offices. These offices have the greatest number of DUI cases. (See the spreadsheet below for the costs of these positions.)

Various Sections Increasing Fines, Penalties, and License Revocation Periods

There are a number of sections that increase fines, penalties, and license revocation periods. For example, in Sec. 29 and 33, the mandatory minimum fines for DUIs are increased to \$1,500 for a first offense over .10, \$3,000 for a second offense, and \$10,000 for a felony DUI. Another example, in Sec. 33, is the permanent license revocation for felony DUI. (Although, under Sec. 35, the license can be restored in 10 years if the defendant does not have additional criminal violations and meets other requirements.)

A number of Public Defender Agency clients will not be able to pay large fines. Therefore there will likely be additional probation revocation cases Agency attorneys will have to cover. Also, we are concerned about the effect on our caseload of the increased license revocation periods. Some people will chose to drive even though they do not have a license. Therefore, we are certain that we will have more Driving with License Revoked cases.

Although the Public Defender Agency cannot quantify the fiscal impact that these provisions will have, we are certain that there will be a significant, albeit indeterminate, impact.

PUBLIC DEFENDER AGENCY
HB 4 FISCAL NOTE

0.08	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services	98.9	98.9	98.9	98.9	98.9	98.9
Travel	3.7	3.7	3.7	3.7	3.7	3.7
Contractual	27.3	27.3	27.3	27.3	27.3	27.3
Supplies	2.2	2.2	2.2	2.2	2.2	2.2
Equipment	8.5	0.8	0.8	0.8	0.8	0.8
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	140.6	132.9	132.9	132.9	132.9	132.9
POSITIONS						
Full-time	1	1	1	1	1	1
Part-time						
Temporary						

Forfeiture	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services	197.1	197.1	197.1	197.1	197.1	197.1
Travel	6.5	6.5	6.5	6.5	6.5	6.5
Contractual	22.0	22.0	22.0	22.0	22.0	22.0
Supplies	4.0	4.0	4.0	4.0	4.0	4.0
Equipment	26.0	6	2.6	2.6	2.6	2.6
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	255.6	232.2	232.2	232.2	232.2	232.2
POSITIONS						
Full-time	4	4	4	4	4	4
Part-time						
Temporary						

Ten Year Look-Back	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services	41.8	85.1	126.9	174.5	174.5	174.5
Travel	1.7	3.5	5.2	7.0	7.0	7.0
Contractual	13.1	26.3	39.4	52.6	52.6	52.6
Supplies	0.9	1.9	2.8	3.8	3.8	3.8
Equipment	3.3	3.6	3.6	3.6	1.2	1.2
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	60.8	120.4	177.9	241.5	239.1	239.1
POSITIONS						
Full-time	0.5	1.0	1.5	2.0	2.0	2.0
Part-time						
Temporary						

TOTAL PUBIC DEFENDER	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services	337.8	381.1	422.9	470.5	470.5	470.5
Travel	11.9	13.7	15.4	17.2	17.2	17.2
Contractual	62.4	75.6	88.7	101.9	101.9	101.9
Supplies	7.1	8.1	9.0	10.0	10.0	10.0
Equipment	37.8	7.0	7.0	7.0	4.6	4.6
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	457.0	485.5	543.0	606.6	604.2	604.2
POSITIONS						
Full-time	5.5	6.0	6.5	7.0	7.0	7.0
Part-time						
Temporary						

FISCAL NOTE

**STATE OF ALASKA
2001 LEGISLATIVE SESSION**

Fiscal Note Number: _____
 Bill Version: CSHB4 (JUD)
 () Publish Date: _____

Revision Date/Time: 4/13/01: 2:00 pm Dept. Affected: Corrections
 Title: An Act relating to offenses involving operating a BRU: Administration & Operations
motor vehicle, aircraft, or watercraft while under the influence... Component: All
 Sponsor: Representative Rokeberg
 Requester: House Finance Component Number: 694

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services						
Travel						
Contractual	780.0	875.0	970.0	1,065.0	1,160.0	1,160.0
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous	2,804.7	3,335.8	4,081.9	4,785.2	5,447.9	5,447.9
TOTAL OPERATING	3,584.7	4,210.8	5,051.9	5,850.2	6,607.9	6,607.9

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()	436.1	454.1	474.1	492.1	512.0	512.0
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	3,148.6	3,756.7	4,577.8	5,358.1	6,095.9	6,095.9
1005 GF/Program Receipts	120.0	138.0	158.0	176.0	196.0	196.0
1037 GF/Mental Health						
Other - 1156 Receipt supported serv.	316.1	316.1	316.1	316.1	316.0	316.0
TOTAL	3,584.7	4,210.8	5,051.9	5,850.2	6,607.9	6,607.9

Estimate of any current year (FY2001) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal:

POSITIONS

Full-time					
Part-time					
Temporary					

ANALYSIS: (Attach a separate page if necessary)

See attached.

Prepared by: Candace Brower
 Division: Commissioner's Office
 Approved by: Margaret Pugh
 Agency: Department of Corrections

Phone 465-4652
 Date/Time 4/05/01/4:30 pm
 Date 4/5/01

For distribution information, call the Governor's Legislative Office

FISCAL NOTE

**STATE OF ALASKA
2001 LEGISLATIVE SESSION
DEPARTMENT OF CORRECTIONS**

BILL NO. CSHB 4 (JUD)
PAGE 2 of 5
DATE 04/12/01

This bill will make extensive changes in the current statutes regarding driving while intoxicated (including a name change to driving while under the influence of an alcoholic beverage, inhalant, or controlled substance). Because of the volume of the bill, we will only address the specific sections that affect the Department of Corrections.

Sec. 4. Changes the presumptive sentencing regarding Manslaughter by adding a provision for Manslaughter as a result of DWI. It will change the presumptive sentence from 5 to 7 years. This change will result in an increased cost to DOC of \$107,360 in FY05 and \$211,640 in subsequent years. This is based on Dept. of Law's estimate that there are 9 convictions a year for Manslaughter or Criminally Negligent Homicide (as part of a DWI). They agree that it is safe to assume 5 convictions a year for Manslaughter. Offenders are currently receiving 5-year sentences. With good time, they are serving 1205 days. The increase will begin in the 4th year of the sentence. The 5 offenders would serve an additional 244 days the 4th year and an additional 237 days the 5th year. In the 5th year the 244 days and the 237 will start "stacking" as offenders convicted in FY03 begin serving their extended time.

FY05 = 244 days X 5 offenders X \$88.00/day = \$107,360.

FY06 = 244 days X 5 offenders X \$88.00/day + the above 5 offenders remaining 237 days X 5 X \$88.00 = \$104,280 for a total of \$211,640. FY07 = \$211,640.

Sec. 28. Reduces the threshold for presumption of DWI from .10 to .08. It is estimated by the Department of Law that although this may not result in a significantly large increase in arrests, it will increase convictions by 10%. In FY00 there were 4118 statewide misdemeanor convictions for DWI and 200 felony convictions.

Misdemeanors

413	X	69%	=	285	X	3	X	\$64.00	=	\$54,720.00				
413	X	20%	=	83	X	20	X	\$64.00	=	\$106,240.00				
413	X	8%	=	33	X	73	X	\$64.00	+	36	X	\$112.00	=	\$287,742.00
413	X	2%	=	8	X	64	X	\$64.00	+	64	X	\$112.00	=	\$90,112
413	X	1%	=	4	X	75	X	\$64.00	+	75	X	\$112.00	=	\$52,800
Totals		100%		413										\$591,614.00

Felons

20 X 352 X \$88.00 = \$619,520.

591,614
\$1,211,134.00

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION
DEPARTMENT OF CORRECTIONS

BILL NO. CSHB4(JUD)
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FY02	FY03	FY04	FY05	FY06	FY07	
1,211,134	1,211,134	1,211,134	1,211,134	1,211,134	1,211,134	Cost of Incarceration
<u>0</u>	<u>33,967</u>	<u>67,934</u>	<u>101,901</u>	<u>101,901</u>	<u>101,901</u>	Probation Costs
1,211,134	1,245,101	1,279,068	1,313,035	1,313,035	1,313,035	Subtotal
<u>0</u>	<u>-61,320</u>	<u>-61,320</u>	<u>-61,320</u>	<u>-61,320</u>	<u>-61,320</u>	less savings for homicide.
1,211,134	1,183,781	1,217,748	1,251,715	1,251,715	1,251,715	Total

If we multiply 413 misdemeanants (10% of total) by the percentages reflected in DMV 2000 statistics for 1st, 2nd, 3rd, 4th, and 5th time offenders, we come up with an estimate of how many of those offenders might be newly convicted under a .08 law. All 1st and 2nd time offenders go to the CRC so we utilized that cost of care for our calculations. Utilizing a snapshot done on 10/25/00 of our DWI population, we averaged the sentences being served for 3rd, 4th and 5th time non-felony offenders and estimated proportions of time served in CRCs and hard beds to come up with a total cost.

Assuming 20 new felons convicted under this threshold, and utilizing the average sentence for DWI felons, we estimated: 20 X 352 days X \$88/day = \$619,520. The total for misdemeanants and felons then is \$1,211,134.

Felony DWI offenders are usually given an average of 3 years probation. Probation costs will not be incurred until after completion of sentence so will not be felt until the 2nd and subsequent years. The daily cost for probationers is \$5.17/day. If 18 of the 20 felons are on probation the second year, the cost would be \$33,967. It would be necessary to add \$67,934 the third year and \$101,901 the fourth year. After that it would level off as the first probationers would drop off.

The Department of Corrections expects a 15% decrease in the incarceration rate for manslaughter/negligent homicides as a result of this legislation, beginning the second year. It will take time for the public to become aware of lowered BAC and to change behaviors. That would result in an annual savings, beginning in FY03, of \$61,320 (or 1.5 persons incarcerated @ \$112/day per year.)

Sec. 29. This section increases the sentence for 2nd time offenders from 20 days to 30 days unless the court orders the person to perform 10 days community service as authorized under AS 12.55.055. In FY00 there were an estimated 824 second time DWI offenders. We assume that one-half will be ordered to complete 10 days community work service in lieu of jail time. The other half will serve their extra 10 days in the CRC. Including statutory good time, 412 offenders will serve 7 days @ \$64.00/day for a total of \$184,576.

Sec. 31. This section requires treatment to occur as much as possible while the offender is incarcerated. This applies to felony DWI offenders. It is estimated that there will be approximately 240 felony offenders in FY02. Treatment experts indicate that someone who has reached felony status as a DWI offender will almost certainly require intensive outpatient treatment or residential treatment services. We estimate that currently, 11 felony DWI offenders a year receive residential treatment through our therapeutic community at Wildwood Correctional Center. Another 21 receive intensive outpatient treatment. Wildwood Correctional Center has the capacity to facilitate another therapeutic community that would accommodate another 60 offenders per year at a cost of \$380,000. Another \$30,000 would be needed for transitional funding. If we back out the felony DWI offenders currently receiving treatment (32) and subtract the 60

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION
DEPARTMENT OF CORRECTIONS

BILL NO. CSHB4(JUD)
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DATE 04/11/01

offenders who could be treated at an additional therapeutic community, the remaining 148 felony DWI offenders would need intensive outpatient treatment at a cost of \$2500 per offender for a total of \$375,000. The total treatment component to accommodate the felony DWI offender population would be \$780,000. This amount is reflected in the contractual section of the fiscal note since all substance abuse treatment is contracted out to private providers.

This section also requires that offenders pay for their cost of treatment up to \$10,000 unless they are deemed indigent. For those who are deemed indigent, and those who are unable/unwilling to pay, the state shall seek reimbursement from the offenders Permanent Fund Dividend. However, felons do not receive PFDs for the qualifying year(s) during which they serve their sentence. It is estimated that perhaps 25% of the felony offenders would be able to pay \$2,000 and the others would be indigent or unable to pay. The total revenue to the State of Alaska is estimated to be \$120,000 the first year, \$138,000 the second year, \$158,000 the third year, \$176,000 the fourth year and levels off at \$196,000 the fifth year.

Sec. 32. This section increases the amount the offender is required to pay for his incarceration from up to \$1,000 to up to \$2,000. This does not make a large difference in revenue since the current minimum sentence for second time offenders is 20 days. With good time, someone would serve 13 days. This is served in a Community Residential Center @ \$64.00/day. That totals \$832. Offenders are already required to pay up to \$1,000 for the cost of care. If the penalty is increased to 30 days, then the increase in cost of care will be made up for by the additional requirement. The requirement for payment is for misdemeanors only. If one half of the 824 second time offenders opt for the 30 day sentence, they would pay an additional \$280 each for a total of \$115,360.

Sec. 33. This section increases the 5-year look-back to a 10-year look-back, phasing it in over a 5-year period. Previously, in order to become a felon, an offender had to have two prior DWI convictions within the preceding 5 years. This will gradually expand the look-back to 10 years, one year at a time over the next five years. This will reduce the fiscal impact that would have been felt if the system had to absorb what would be (by DMV and DOL figures) an estimated 190 new convicted felons in the first year. Utilizing Department of Law's logic, by the end of the five-year period, when the full ten-year look-back is achieved, the system will be adding the full 190 additional felons each year. These will be first time felony offenders. If they receive the 180 day minimum sentence proposed in this legislation, and presuming they receive their good time, they would each serve 120 days of incarceration. This would total \$401,280 for the first year phase-in. We will then assume that each new year of the phase-in will add an additional 38 new felons until the 10 year look-back is satisfied. In FY03 the number of new felons will be 76 at a cost of \$802,560. In FY04 there will be 114 for a cost of \$1,203,840, FY05 will include 152 new felons for a cost of \$1,605,120 and FY06 reaches full look-back for 190 new felons at a cost of \$2,006,400.

In addition, this section increases the minimum sentences for felony DWI offenders. Using 240 as the number of expected convicted DWI felons in FY02, and estimating that 80% of those will be third time offenders, 192 will serve an additional 40 days. Utilizing the cost of \$88/day (an average cost of 1/2 time in a CRC and 1/2 time in a hard bed) the cost for third time offenders will be \$675,840. Estimating the 15% will be 4th time offenders, that would result in 36 offenders serving an additional 60 days, the cost for fourth time offenders is \$253,440. The remaining 5% (12 offenders) will serve an additional 53 days for the cost of \$55,968. The total cost of this provision for the first fiscal year will be \$985,248. Utilizing the same formula and filling in the number of felons each year, the increased cost of higher penalties is as follows: FY03 \$1,142,416 FY04 \$1,289,024 FY05 \$1,449,712 and in FY06 \$1,599,840.

Sec. 34. This section takes away the language in the current statute that provides a 10 year look-back for second time offenders. It is estimate that 3% of the 824 second time offenders will be affected by this removal. The result will be an additional 26 offenders serving a term for second time offense rather than first for a total of \$22,464. This is based on the assumption that 13 will serve 13 days @ \$64.00/day and

FISCAL NOTE

STATE OF ALASKA
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DEPARTMENT OF CORRECTIONS

BILL NO. CSHB4(JUD)
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13 will serve 20 days @ \$64.00/day for a total of \$27,456. Subtracting the 3 day sentence they would have served anyway as a first time offender, (3X26X\$64 = \$4992) the total for this provision is \$22,464.

The changes in revenues reflected in the fiscal note include:

\$120,000 in FY02 for inmate payment for treatment;

\$316,128 (\$200,768 for .08 legislation and **\$115,360** for increased sentencing for 2nd time offenders.

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

Fiscal Note Number: 5
 Bill Version: CSHB 4(TRA)
 (H) Publish Date: 2/28/01

Revision Date/Time (Note if correction): _____ Dept. Affected: Health & Social Services
 Title: An Act relating to offenses involving operating BRU: Alcohol & Drug Abuse Svcs
a motor vehicle Component: Alcohol Safety Action Program
 Sponsor: Rep Rokeberg
 Requester: House (TRA) Component Number: 305

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services	60.0	60.0	60.0	60.0	60.0	60.0
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	52.4	52.4	52.4	52.4	52.4	52.4
Miscellaneous						
TOTAL OPERATING	112.4	112.4	112.4	112.4	112.4	112.4

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

1002 Federal Receipts						
1003 GF Match						
1004 GF	112.4	112.4	112.4	112.4	112.4	112.4
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	112.4	112.4	112.4	112.4	112.4	112.4

Estimate of any current year (FY2001) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Section 26 lowers the blood alcohol content from .10 to .08. It is estimated that this will result in a 10% increase in number of DUI cases resulting in convictions and mandatory referral to Alcohol Safety Action Programs (ASAP) and subsequently for treatment. Of these additional cases DHSS estimates that 100% would be referred to an ASAP. The costs to handle these additional cases is \$112.4. We estimate that 65-70% of these cases will be handled by the ASAP office in Anchorage, which is operated by employees of the Division of Alcoholism and Drug Abuse.

Prepared by: Ernest Turner, Director Phone 465-2071
 Division: Alcoholism and Drug Abuse Date/Time 2/26/01 4:30 PM
 Approved by: Elmer A. Lindstrom, Special Assistant Date 3/1/01 8:40 AM
 Agency: Department of Health & Social Services

For distribution information, call the Governor's Legislative Office

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

Fiscal Note Number: 6
 Bill Version: CSHB 4 (TRA)
 (H) Publish Date: 2/28/01

Revision Date/Time (Note if correction): _____ Dept. Affected: Health & Social Services
 Title: An Act relating to offenses involving operating BRU: Alcohol & Drug Abuse Svcs
 a motor vehicle Component: Alcohol/Drug Abuse Grants
 Sponsor: Rep Rokeberg
 Requester: House (TRA) Component Number: 1239

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	582.2	582.2	582.2	582.2	582.2	582.2
Miscellaneous						
TOTAL OPERATING	582.2	582.2	582.2	582.2	582.2	582.2

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

1002 Federal Receipts						
1003 GF Match						
1004 GF	582.2	582.2	582.2	582.2	582.2	582.2
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	582.2	582.2	582.2	582.2	582.2	582.2

Estimate of any current year (FY2001) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Section 26 lowers the blood alcohol content from .10 to .08. It is estimated that this will result in a 10% increase in number of DUI cases resulting in convictions and mandatory referral to Alcohol Safety Action Programs and subsequently for treatment. Of these additional cases DHSS estimates that 75% would be treated in a public program. Due to existing wait capacity and waitlist an additional \$582.2 is required to fund the capacity required to provide the mandated treatment required.

Prepared by: Ernest Turner, Director Phone 465-2071
 Division: Alcoholism and Drug Abuse Date/Time 2/26/01 4:30 PM
 Approved by: Elmer A. Lindstrom, Special Assistant Date 3/1/01 8:45 AM
 Agency: Department of Health & Social Services

For distribution information, call the Governor's Legislative Office

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

Fiscal Note Number: 12
Bill Version: CSHB 4 (JUD)
(H) Publish Date: 4/5/01

Revision Date/Time (Note if correction): March 6, 2001 Dept. Affected: Health & Social Services
Title: Relating to operating motor vehicles under the BRU: Juvenile Justice
influence Component: Bethel Youth Facility
Sponsor: Representative Rokeberg
Requester: House (TRA) Component Number: 319

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

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

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2001) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Section 33 of the bill was amended to delete a provision which would have required an additional six month period of incarceration for persons convicted of driving under the influence. With this provision deleted from the H-TRA committee substitute, there would be a zero fiscal impact on DJJ through CSHB4(TRA).

Prepared by: George Buhite, Director Phone 465-2212
Division: Juvenile Justice Date/Time 3/6/01 4:42 PM
Approved by: Elmer A. Lindstrom, Special Assistant Date 3/6/01 4:42 PM
Agency: Department of Health & Social Services

For distribution information, call the Governor's Legislative Office

FISCAL NOTE

**STATE OF ALASKA
2001 LEGISLATIVE SESSION**

Fiscal Note Number: 11
 Bill Version: CSHB 4 (JUD)
 (H) Publish Date: 4/5/01

Revision Date/Time (Note if correction): March 6, 2001 Dept. Affected: Health & Social Services
 Title: Relating to operating motor vehicles under the influence BRU: Juvenile Justice
 Component: Johnson Youth Facility
 Sponsor: Representative Rokeberg
 Requester: House (TRA) Component Number: 267

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

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

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2001) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Section 33 of the bill was amended to delete a provision which would have required an additional six month period of incarceration for persons convicted of driving under the influence. With this provision deleted from the H-TRA committee substitute, there would be a zero fiscal impact on DJJ through CSHB4(TRA).

Prepared by: George Buhite, Director Phone 465-2212
 Division: Juvenile Justice Date/Time 3/6/01 4:33 PM
 Approved by: Elmer A. Lindstrom, Special Assistant Date 3/6/01 4:33 PM
 Agency: Department of Health & Social Services

For distribution information, call the Governor's Legislative Office

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

BILL NO. CSHB 4 (JUD)

Revision Date/Time (Note if correction) _____	Dept Affected _____
Title <u>Omnibus DWI Bill</u>	BRU <u>Alaska Court System</u>
Sponsor <u>Rep Norman Rokeberg</u>	Component <u>Trial Courts</u>
Requester <u>House Finance Committee</u>	Component No <u>76R</u>

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services	352.1	362.0	362.0	362.0	362.0	362.0
Travel						
Contractual	16.5	24.8	35.2	43.5	53.8	53.8
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	368.6	386.8	397.2	405.5	415.8	415.8

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

1002 Federal Receipts						
1003 GF Match						
1004 GF	368.6	386.8	397.2	405.5	415.8	415.8
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	368.6	386.8	397.2	405.5	415.8	415.8

Estimate of any current year (FY2001) cost: 0.0

POSITIONS

Full-time	4	4	4	4	4	4
Part-time	4	4	4	4	4	4
Temporary						

ANALYSIS: (Attach a separate page if necessary)

CSHB 4 (JUD) makes several changes to the statutes relating to the offense of driving while intoxicated. Some of these changes will have a fiscal impact on the court system.

The bill lowers the BAC necessary for a DWI violation under AS 28.35.030(a)(2) from .1 to .08. National studies show that this change typically results in a 10% increase in DWI filings. Based on that assumption, the court system would see an additional 500 misdemeanors and 28 felony filings a year.

The bill also imposes a five-year phase-in of a new 10-year look-back for felony DWI offenses. The Department of Law estimates that the phase-in will result in 45 new felony filings in year one, 90 in year two, 135 in year three, 180 in year four, and 225 in year five. This fiscal note is based on these estimates and on a 10% felony trial rate. Because the felony DWI load in Anchorage is already beyond the superior court's capacity, this note provides for a new superior court judge.

Finally, the bill calls for mandatory vehicle forfeiture or immobilization for all second DWI convictions and mandatory vehicle forfeiture for all third and subsequent DWI convictions. A court hearing is required for each forfeiture. The Department of Law estimates that this change will result in 800 hearings. This note is based on that estimate and assumes that each hearing will last 15 minutes.

Prepared by <u>Douglas Wooliver</u>	Phone <u>463-4750</u>
Division <u>Alaska Court System</u>	Date/Time <u>4/19/01 @ 11:00 AM</u>
Approved by <u>Stephanie Cole</u>	Date _____
Agency <u>Alaska Court System</u>	

For distribution information, call the Governor's Legislative Office

**Alaska Court System
Fiscal Note Calculations for CSHB 4 (JUD)**

4/19/01

Increase in 45 - 225 New Felonies FY02 thru FY06:

	FY02	FY03	FY04	FY05	FY06
<u>Superior Court:</u>					
Jury Costs	10,340	18,612	28,952	37,224	47,564
Superior Court Judge	138,467	142,300	142,300	142,300	142,300
Law Clerk for Superior Court Judge	48,130	49,400	49,400	49,400	49,400
Secretary	41,997	43,050	43,050	43,050	43,050
In-Court Clerk	41,997	43,050	43,050	43,050	43,050
	<u>270,591</u>	<u>277,800</u>	<u>277,800</u>	<u>277,800</u>	<u>277,800</u>
Fiscal Note Total for 45 - 225 New Felonies	280,931	296,412	306,752	315,024	325,364

Vehicle Forfeitures:

800 new hearings, 287 of which would be handled in conjunction with a superior court case (felony)

513 hearings @ 15 minutes/hearing = 128.25 hours of hearing time (one month)

	FY02	FY03	FY04	FY05	FY06
<u>District Court:</u>					
District Court Judge Pro Tem (1 Month)	10,084	10,449	10,449	10,449	10,449
In-Court Clerk PPT (1 Month)	3,500	3,588	3,588	3,588	3,588
	<u>13,584</u>	<u>14,037</u>	<u>14,037</u>	<u>14,037</u>	<u>14,037</u>
Fiscal Note for Vehicle Forfeitures	13,584	14,037	14,037	14,037	14,037

500 New Misdemeanors and 3 Felony Trials at 08:

	FY02	FY03	FY04	FY05	FY06
<u>Superior Court:</u>					
Jury Costs	6,204	6,204	6,204	6,204	6,204
District Court Judge Pro Tem (5 Months)	50,419	52,245	52,245	52,245	52,245
In-Court Clerk PPT (5 Months)	17,499	17,940	17,940	17,940	17,940
	<u>67,918</u>	<u>70,185</u>	<u>70,185</u>	<u>70,185</u>	<u>70,185</u>
Fiscal Note for 500 Misdemeanors & 3 Felony Trials	74,122	76,389	76,389	76,389	76,389

Cumulative Fiscal Note:

Personal Services	352,092	362,022	362,022	362,022	362,022
Contractual	16,544	24,816	35,156	43,428	53,768
Cumulative Total	368,636	386,838	397,178	405,450	415,790
<u>Funding Source:</u>					
1004 GF	368,636	386,838	397,178	405,450	415,790
<u>Positions:</u>					
Full time	4	4	4	4	4
Part time	4	4	4	4	4

ALASKA STATE LEGISLATURE

House of Representatives

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LABOR & COMMERCE COMMITTEE MEMBER
LEGISLATIVE COUNCIL MEMBER
SPECIAL COMMITTEE ON ECONOMIC DEVELOPMENT &
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SPONSOR STATEMENT

CSHB 4 (JUD)

Omnibus Drunk Driving Legislation

Alaska has one of the toughest drunk driving laws in the United States, but many of our state's habitual drunk drivers are not getting the message. CSHB 4 (JUD) creates the toughest set of driving under the influence ("DUI") laws in the country.

Poor judgment and chemical dependency are the primary causes of habitual drinking and driving. These people *kill, injure, and maim* Alaskans causing untold grief, pain, suffering, and economic loss. Estimates show that the average 1998 alcohol-related fatality in Alaska cost \$5.1 million (\$1.7 million in monetary costs and \$3.4 million in quality of life losses) while the average 1998 injured survivor experienced approximated \$126,000 in costs (\$52,000 in monetary costs and \$74,000 in quality of life losses). These figures are from the Public Services Research Institute and were produced under a National Highway Traffic Safety Administration Partners in Progress Cooperative Agreement and are figures for Alaska.

Over the past year, Alaska has witnessed a rash of tragic deaths and injuries. A public outcry resulted in the establishment of the Municipality of Anchorage's DUI Task Force. Many recommendations of this Task Force are embodied in CSHB 4 (JUD).

CSHB 4 (JUD) increases fines and jail time; lowers the blood alcohol content limit from .10 to .08; mandates treatment for prisoners; deletes the five-year lookback provision while phasing in a ten-year lookback; requires immobilization or forfeiture of the vehicle on the second offense and forfeiture on third and subsequent offenses; requires seizure of license plates; and increases fees, fines and cost caps in various areas of the law to enhance revenue to offset associated costs.

CSHB 4 (JUD) contains both the "stick" (punitive revision of law) in the House Majority's alcohol package and the "carrot" (flexibility for the judicial system to in giving out sentences and fines). It also contains several enhancements for the treatment of offenders. Enactment of this legislation will send a strong and clear message: **DO NOT DRINK AND DRIVE.**

The fiscal impacts are significant. However, if this bill saves one life, or saves one Alaskan from injury -- Isn't it worth the investment?

Your support of this important legislation would be appreciated.

ED 3:04/05/01

ALASKA STATE LEGISLATURE

House of Representatives

COMMITTEE ASSIGNMENTS

JUDICIARY COMMITTEE CHAIRMAN
LABOR & COMMERCE COMMITTEE MEMBER
LEGISLATIVE COUNCIL MEMBER
SPECIAL COMMITTEE ON ECONOMIC DEVELOPMENT &
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SECTIONAL ANALYSIS CSHB 4 (JUD)

An Act relating to offenses involving operating a motor vehicle, aircraft, or watercraft while under the influence of an alcoholic beverage, inhalant or controlled substance; relating to court records of a conviction involving a violation of the Alaska Uniform Vehicle Code or an other law, regulation, or ordinance regulating the driving of vehicles; relating to implied consent to take a chemical test; relating to operating a motor vehicle without a driver's license; relating to registration of motor vehicles; relating to presumptions arising from the amount of alcohol in a person's breath or blood; relating to alcoholism treatment for offenders convicted of certain offenses involving operating a motor vehicle, aircraft, or watercraft; and providing for an effective date.

Prepared by Representative Norman Rokeberg

- Section 1:** Finding and intent section.
- Section 2:** Changes references from driving while "intoxicated" to driving while "under the influence of an alcoholic beverage, inhalant or controlled substance."
- Section 3:** Changes references from driving while "intoxicated" to driving while "under the influence of an alcoholic beverage, inhalant or controlled substance"
- Section 4:** Adds new subsection setting forth that the presumptive sentence for manslaughter as a result of driving while under the influence of an alcoholic beverage, inhalant or controlled substance is seven years.
- Section 5:** Changes references from driving while "intoxicated" to driving "while under the influence of an alcoholic beverage, inhalant or controlled substance"
- Section 6:** Requires the department of administration to refuse to register a vehicle if the applicant fails to register the vehicle using the applicant's first, middle, and last name or a business name.

- Section 7:** Adds new subsection concerning seizure of registration plates resulting from chemical sobriety tests and refusals to submit to tests. Such seizure tracks with driver's license suspension or revocation. Also contains provisions for co-owner to obtain registration plates for vehicles. Protects leased, rented, or borrowed vehicles from license plate seizure.
- Section 8:** Changes references from driving while "intoxicated" to driving while "under the influence of an alcoholic beverage, inhalant or controlled substance"
- Section 9:** Changes references from driving while "intoxicated" to driving while "under the influence of an alcoholic beverage, inhalant or controlled substance."
- Section 10:** Changes references from driving while "intoxicated" to driving while "under the influence of an alcoholic beverage, inhalant or controlled substance."
- Section 11:** Adds references to motor vehicle plate seizure to notice provisions.
- Section 12:** Adds references to motor vehicle plate seizure to request for review of department's action provisions.
- Section 13:** Adds reference to motor vehicle registration plate provisions to temporary permit provisions.
- Section 14:** Changes references from driving while "intoxicated" to driving while "under the influence of an alcoholic beverage, inhalant or controlled substance." Repeals the phrase "reasonable grounds" and replaces it with "probable cause" for purposes of the commercial motor vehicle implied consent law.
- Section 15:** Changes references from driving while "intoxicated" to driving while "under the influence of an alcoholic beverage, inhalant or controlled substance."
- Section 16:** Amends minimum periods of license revocation to reflect references to new provisions in AS 28.35.030(n)(3) and 28.35.032(p)(3).
- Section 17:** Requires that the court shall furnish the Division of Motor Vehicles with information on a driving conviction within five working days.

- Section 18:** Technical amendment relating to the authority of the court to grant limited driver's license privileges following a conviction for DUI
- Section 19:** Requires a person who loses their driver's license for DUI or refusal to take a breath test to meet the alcoholism screening, evaluation, referral, and program requirements under AS 28.35.030(h) imposed under AS 28.15.181(a)(5) or (8) in order to have license reissued.
- Section 20:** Doubles driver's license reinstatement fees for those convicted of DUI or refusal.
- Section 21:** Amends the current statutes concerning persons who knowingly permit a motor vehicle to be driven by a person not validly licensed so that persons in fear of perpetrator of domestic violence may not be charged under this statute.
- Section 22:** Changes references from driving while "intoxicated" to driving while "under the influence of an alcoholic beverage, inhalant or controlled substance."
- Section 23:** Repeals the phrase "reasonable grounds" and replaces it with "probable cause" for purposes of the commercial motor vehicle implied consent law. Also changes references to "driving while intoxicated" to while "under the influence of an alcoholic beverage, inhalant or controlled substance."
- Section 24:** Repeals the phrase "reasonable grounds" and replaces it with "probable cause" for the purposes of the commercial motor vehicle implied consent law.
- Section 25:** In commercial motor vehicle section, changes "intoxicated" to "under the influence of an alcoholic beverage". Changes references from "intoxicating liquor" to "alcoholic beverage".
- Section 26:** Changes "intoxicating liquor" to "alcoholic beverage".
- Section 27:** Changes references from "intoxicated" to while "under the influence of an alcoholic beverage, inhalant or controlled substance".

- Section 28:** Changes references to driving while "intoxicated" to driving while "under the influence of an alcoholic beverage, inhalant or controlled substance." Adds "an alcoholic beverage" and "inhalant" to list of items that constitutes crime of driving while "under the influence of an alcoholic beverage, inhalant or controlled substance". Reduces the legal limit for being intoxicated from 0.10 to 0.08 percent of alcohol in a person's blood.
- Section 29:** Changes references to driving while "intoxicated" to driving while "under the influence of an alcoholic beverage, inhalant or controlled substance." Changes the penalties (sentence and fine) for misdemeanor DUI Adds watercraft to list of items that may be forfeited. On second offense requires vehicle forfeiture OR immobilization. On third and subsequent, mandates vehicle forfeiture.
- Section 30:** Changes law to establish that treatment providers must provide the judge, prosecutor, defendant, and an agency involved in the defendant's treatment with information and reports concerning the defendant's past and present assessment, treatment, and progress. Such information may only be used in connection with court proceedings involving the defendant's treatment and is otherwise confidential.
- Section 31:** Establishes limit imposed on cost of treatment required to be paid by a person convicted of DUI Specifies that, as much as possible, treatment shall occur while incarcerated. Establishes that the cost of treatment must include at least \$150 for cost of alcohol safety action program if available. Permits state to seek reimbursement for treatment costs from permanent fund dividend. Establishes that subsection does not apply to costs of treatment incurred by a person as a result of treatment not required under this subsection.
- Section 32:** Increases the limit imposed on the cost of imprisonment required to be paid by a person convicted of DUI
- Section 33:** Felony DUI section. Eliminates 5-year lookback and phases in a 10-year look back period and establishes that a person is guilty of a class C felony if convicted a third time since January 1, 1996, and within 10 years preceding the date of the offense. Increases the penalties for a conviction under this

section, including jail time, fine, loss of driver's license, and forfeiture of the vehicle, watercraft or aircraft used in the offense. Revokes vehicle registration for all vehicles owned by the person convicted. Permits a co-owner to register the vehicle in that person's name.

Section 34: Adds definition for "inhalant". Changes references to driving while "intoxicated" to driving while "under the influence of an alcoholic beverage, inhalant or controlled substance."

Section 35: Adds provisions relating to restoration of a driver's license following a D.U.I conviction and relating to failure to satisfy alcoholism treatment requirements. Establishes procedure for surrender of registration plate for an vehicle registered or co-registered in convicted person's name. Establishes that court may suspend: (1) a portion of mandatory minimum sentence if persons successfully completes a therapeutic court program; and (2) up to 50% of the minimum fines. Designates the Director of the Division of Motor Vehicles or designee as a person eligible to request and receive criminal justice information.

Section 36: Makes technical amendments relating to implied consent law. Changes references to driving while "intoxicated" to driving while "under the influence of an alcoholic beverage, inhalant or controlled substance." Repeals the phrase "reasonable grounds" and replaces it with "probable cause" for the purposes of the implied consent law.

Section 37: Repeals the phrase "reasonable grounds" and replaces it with "probable cause" for the purposes of administering a breath test under the implied consent law.

Section 38: Repeals the phrase "reasonable grounds" and replaces it with "probable cause" for purposes of administering a breath or blood test under the implied consent law when there is a motor vehicle accident that causes death or serious physical injury.

Section 39: Adds new section providing that the implied consent statute was not intended to prevent the police search warrants.

- Section 40:** Changes references to driving while "intoxicated" to driving while "under the influence of an alcoholic beverage, inhalant or controlled substance."
- Section 41:** Changes references to driving while "intoxicated" to driving while "under the influence of an alcoholic beverage, inhalant or controlled substance."
- Section 42:** Changes refusal section to mirror DUI section on fines and penalties for misdemeanors. Establishes forfeiture or immobilization for second offense. Establishes forfeiture for third offense.
- Section 43:** Changes refusal section to mirror DUI section on treatment. Changes law to establish that treatment providers must provide the judge, prosecutor, defendant, and an agency involved in the defendant's treatment with information and reports concerning the defendant's past and present assessment, treatment, and progress. Such information may only be used in connection with court proceedings involving the defendant's treatment and is otherwise confidential.
- Section 44:** Changes refusal section to mirror DUI section. Changes driving while "intoxicated" to driving while "under the influence of an alcoholic beverage, inhalant, or controlled substance".
- Section 45:** Changes refusal section on treatment language to mirror DUI section. Establishes limit imposed on cost of treatment required to be paid by a person convicted of DUI. Specifies that, as much as possible, treatment shall occur while incarcerated. Establishes that the cost of treatment must include at least \$150 for cost of alcohol safety action program if available. Permits state to seek reimbursement for treatment costs from permanent fund dividend. Establishes that subsection does not apply to costs of treatment incurred by a person as a result of treatment not required under this subsection.
- Section 46:** Changes refusal section on imprisonment costs to mirror DUI section. Increases the limit imposed on the cost of imprisonment required to be paid by a person convicted of refusal.
- Section 47:** Changes refusal section on felony charges to mirror DUI section.

Phases in a 10-year lookback period and establishes that a person is guilty of a class C felony if convicted a third time since January 1, 1996, and within 10 years preceding the date of the offense. Increases the penalties for a conviction under this section, including jail time, fine, loss of driver's license, and forfeiture of the vehicle, watercraft or aircraft used in the offense. Revokes vehicle registration for all vehicles owned by the person convicted. Permits a co-owner to register the vehicle in that person's name.

- Section 48:** Changes refusal section on driver's license revocation to mirror DUI section. Adds provisions relating to restoration of a driver's license following a DUI conviction and relating to failure to satisfy alcoholism treatment requirements. Establishes procedure for surrender of registration plate for any vehicle registered or co-registered in convicted person's name. Establishes that court may suspend: (1) a portion of mandatory minimum sentence if persons successfully completes a therapeutic court program; and (2) up to 50% of the minimum fines.
- Section 49:** Changes references to driving while "intoxicated" to driving while "under the influence of an alcoholic beverage or controlled substance." Also changes certain presumptions applicable to civil or criminal action involving a person alleged to have driven while under the influence of an alcoholic beverage or controlled substance.
- Section 50:** Requires the police to inform a person undergoing a chemical test for intoxication of their right to have an independent chemical test and requires the department to make reasonable and good-faith efforts to assist the person to obtain an independent test.
- Section 51:** Changes reference to driving while "intoxicated" to driving while "under the influence of an alcoholic beverage, inhalant or controlled substance."
- Section 52:** Requires the court to order forfeiture of motor vehicle, aircraft, or watercraft used in committing a DUI or refusal offense if this is a third conviction. Changes reference to driving while "intoxicated" to driving while "under the influence of an alcoholic beverage, inhalant or controlled substance."

- Section 53:** Sets forth some examples of how the Department of Public Safety may dispose of a forfeited motor vehicle, watercraft or aircraft under the forfeiture provisions.
- Section 54:** Permits municipal ordinances concerning impoundment and forfeiture to include a fee for administrative costs.
- Section 55:** Amends definition of "alcohol safety action program".
- Section 56:** Changes driving while "intoxicated" to driving while "under the influence of an alcoholic beverage, inhalant, or controlled substance".
- Section 57:** Permits the Department of Health and Social Services to develop, implement, and designate an alcohol safety action program.
- Section 58:** Adds standards for alcohol safety action programs to current statute.
- Section 59:** Adds requirements concerning approval of and inspection of alcohol safety action programs.
- Section 60:** Applicability section.
- Section 51:** Effective date is July 1, 2001.

ED3:04/03/01

**Ten Year Summary
Alcohol Related Traffic Arrests
1991 Through 2000**

Alcohol Arrest Incidents	Number of Offenders	Percent of Offenders
1	31499	73%
2	7944	19%
3	2475	6%
4	725	2%
5	213	0%
6	56	0%
7	11	0%
8	3	0%
Ten-Year Total	<u>42,926</u>	100%

Year	DWI Arrests
1991	5,875
1992	6,437
1993	6,576
1994	6,374
1995	6,077
1996	5,969
1997	5,307
1998	5,577 *
1999	5,580 *
2000	5,442 *
<u>59,214</u>	

*For the time period 1998-2000 the number of breath tests in the .08 - .0999 range totaled 685

Source: Department of Public Safety
March 19, 2001
Alaska Public Safety Information Network
Criminal History Records

ALASKA STATE LEGISLATURE

House of Representatives

COMMITTEE ASSIGNMENTS

JUDICIARY COMMITTEE, CHAIRMAN
LABOR & COMMERCE COMMITTEE, MEMBER
LEGISLATIVE COUNCIL, MEMBER
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CSHB 4 (JUD) HIGHLIGHTS

- ◆ Separates repeat offender drunk drivers from vehicles
- ◆ Lowers BAC to .08
The federal law mandates that we lower our BAC.
If the .08 law is passed and in effect prior to July 15, 2001, Alaska will be eligible to receive approximately \$848,000 in incentive payments for states with .08 BAC.
If we do not lower our BAC to .08 and have it in effect by 1 October 2003, we will actually lose \$3,580,967 in FY 2004 up to \$14,323,867 in FY 2007.
If we adopt .08 prior to Federal Fiscal Year 2007 (October 1, 2007), we would regain any funds lost (see information provided by Alaska Highway Safety Office, 01/01, attached).
- ◆ Eliminates 5-year look back and phases in a 10-year look back
Currently a third DUI offense in five years is a felony. After the five-year window, charges then go back to misdemeanors.
This bill phases in a ten-year window.
- ◆ Raises fines and sentences (see attached table)
- ◆ Raises reimbursement cap for incarceration costs from \$1,000 to \$2,000
- ◆ Establishes reimbursement cap for treatment costs reimbursed to state: \$10,000
- ◆ Raises reinstatement fees for driver's licensing due to DUI and/or refusal to take chemical test
- ◆ Lowers impairment from .05 to .04
- ◆ Provides for permanent driver's license revocation for worst offenders
- ◆ After ten years, these worst offenders may apply for reinstatement if meet certain conditions
- ◆ Mandatory vehicle forfeiture or immobilization on 2nd misdemeanor. Offender pays for immobilization costs.
- ◆ Mandatory vehicle forfeiture on 3rd misdemeanor and all felonies

- ◆ **Increases presumptive sentence for first felony manslaughter caused by DUI from 5 years to 7 years**
- ◆ **License plates of offenders will be confiscated along with driver's license and revocation will run concurrent with driver's license revocation or suspension. Co-owners, lienholders, and owner of "borrowed" vehicles are protected and may regain registration plates. Temporary "plate" issued along with temporary driver's license. Current provisions on driver's license review and appeal are offered for license plate confiscation.**
- ◆ **Changes DWI to DUI**
- ◆ **Mandatory treatment of prisoners**

Reader's Digest Version of CSIB 4 (JUD)
Prepared by Representative Norman Rokeberg
April 5, 2001

TOPIC	SECTION(S) FOUND	COMMENTS
New name: change "DWI" to "DUI" and include inhalants	2, 3, 4, 5, 8, 9, 10, 14, 15, 22, 23, 27, 28, 34, 36, 40, 41, 49, 51, 52, 56	Changes "driving while intoxicated" to "driving under the influence of an alcoholic beverage, inhalant, or controlled substance"
First felony manslaughter DUI	4	Increase presumptive sentence from five to seven years.
Vehicle Registration Plate Seizure	7, 11, 12, 13	Procedure same as current procedure for driver's license: Officer seizes plates at time of seizure of driver's license; issues temporary distinctively colored "plates" (similar to what is now issued for newly registered car permits but in a different distinct color). Person has right of administrative review. Provides owner or co-owner who is not subject of charge to register vehicle.
"Reasonable Cause" changed to "Probable Cause"	14, 25, 24, 37, 38,	Conform to court decision in Alaska Supreme Court <u>Leslie v. State</u> , 711 P.2d 575 (Alaska App. 1986)
Treatment of offenders	31 (DUI), 45 (refusal)	To occur as much as possible when incarcerated.

TOPIC	SECTION(S) FOUND	COMMENTS
Treatment costs - reimbursement	31 (DUI), 45 (refusal)	Up to \$10,000 reimbursed to state that must include \$150 ASAP fee. Reimbursement from PFD to be sought. Subsection does not apply to costs incurred by treatment not required under this subsection.
Treatment records (verifying past treatment)	30 (DUI), 43 (refusal)	Within constraints provided by federal law or regulation, treatment providers are to provide judge, prosecutor, defendant, and treatment agency involved with defendant's treatment with information and reports concerning defendants past and present assessment, treatment, and progress. Information is confidential. This is so that adequate information is available for future treatment considerations.
Imprisonment costs recouped	32 (DUI), 45 (refusal)	Increases reimbursement from \$1,000 to \$2,000.
Increased drivers license reinstatement fees	20	Current is \$100 fee if, within 10 years, previously convicted once; new fee is \$200. Current is \$250 fee, if within 10 years, previously convicted two or more times; new fee is \$500.
Domestic Violence Victims	21	Adds protection for dv victims to current statutes concerning persons who knowingly allow another person not validly licensed to operate a motor vehicle.

TOPIC	SECTION(S) FOUND	COMMENTS
Misdemeanor DUI - increased fines and sentences.	29, 35 for suspensions and/or reductions	See attached comparison table
Vehicle forfeiture DUI - misdemeanor	29 (DUI), 52 (refusal)	Second offense - forfeiture or impoundment; third or subsequent offense - mandatory forfeiture.
Increased look back provisions	33 (DUI), 47 (refusal)	Currently, a third offense within five years becomes a felony. This deletes the five-year lookback and phases in a ten- year time period so that a third offense within ten years will be a felony.
Felony DUI - increased fines and sentences	33, 35 for suspensions and/or reductions	See attached comparison table
Vehicle forfeiture DUI - felony	33 (DUI) , 52 (DUI and refusal)	All felony offenses
License revocation DUI - felony	33	Permanent (see also Section 35 for procedure to request reinstatement under certain conditions after ten years)
Vehicle registration - Felony DUI	33	Revoked
Inhalant defined	34	
License reinstatement procedure after permanent revocation for felony DUI	35	
Refusal sections which are changed to mirror DUI sections	Misdemeanor - 42; treatment - 43, 45; imprisonment costs - 46; felony - 47; driver's license revocation - 48	Mirrors provisions above for misdemeanor and/or felony DUI including fines, sentences, treatment, imprisonment costs, etc.

TOPIC	SECTION(S) FOUND	COMMENTS
.08 Blood Alcohol Content ("BAC")	49	Lowers BAC from .10 to .08; lowers other assumptions from .05 to .04, and from .05 to less than .10 to .04 to less than .08
Right to independent test	50	Person administering test is to inform person being tested of right to independent test. If person being tested requests independent test, reasonable efforts shall be made to assist person being tested in receiving independent test. Clarifies current law.
State disposal of forfeited motor vehicle, aircraft or watercraft	53	By way of example, state may: sell at auction, transfer to state or municipal law enforcement agency; declare surplus and transfer to Department of Administration; destroy.
Municipal ability to charge administrative fee for impoundment and forfeiture	54	Specifically sets forth in statute ability of municipality to charge administrative fee for costs incurred. Suggested by some local governmental representatives.
ASAP	56, 57, 58	Defines Alcohol Safety Action Program and sets forth ability of H&SS to develop standards, review, and monitor programs
Search Warrants	39	Adds a new section providing that the implied consent statute was not intended to prevent police search warrants. This makes it clear that the legislature has adopted the view expressed by Justice Compton in his dissenting opinion in <i>Pena v. State</i> , 684 P. 2d 684, 868 (Alaska 1984). Justice Compton said: "There simply is nothing in the [implied consent] statute to indicate that the

		legislature contemplated restricting searches pursuant to warrant, which derive from the statutory authority of the court, rather than the power of an officer to search an individual at the time of arrest."
Applicability	60	Section 6 (using full name when registering vehicle) applies to registrations occurring on or after effective date; act applies to offenses committed on or after effective date, except that references to previous convictions including convictions occurring before, on or after effective date.
Effective Date	61	July 1, 2001

**COMPARISON
CURRENT FINES AND SENTENCES TO THOSE PROPOSED UNDER CSHB 4 (JUD)**
Prepared by Representative Norman Rokeberg
April 5, 2001

Description	Current Minimum Fine/Sentence	Proposed Minimum Fine/Sentence	Comment
1st time misdemeanor DUI or Refusal	\$250/72 consecutive hours	\$1500/72 consecutive hours	Section 29 (DUI) Section 42 (Refusal)
2nd time misdemeanor DUI	\$500/20 days	\$3,000/30 days or 20 days plus 10 days community service at court's discretion	Section 29 (DUI) Section 42 (Refusal)
3rd time misdemeanor DUI	\$1,000/60 days	\$4,000/60 days	Section 29 (DUI) Section 42 (Refusal)
4th time misdemeanor DUI	\$2,000/120 days	\$5,000/120 days	Section 29 (DUI) Section 42 (Refusal)
5th time misdemeanor DUI	\$3,000/240 days	\$6,000/\$240 days	Section 29 (DUI) Section 42 (Refusal)
6th+ time misdemeanor DUI	\$4,000/360 days	\$7,000/360 days	Section 29 (DUI) Section 42 (Refusal)
Driver's license	Court shall revoke	Court shall revoke	No change
Forfeiture	Court May	Court shall forfeiture or immobile on 2nd offense; mandatory third or subsequent	Adds watercraft to items that may be forfeited.

Description	Current Minimum Fine/Sentence	Proposed Minimum Fine/Sentence	Comment
Other costs - applicable to misdemeanor & felony, DUI and refusal	Imprisonment up to \$1,000 Driver's license reinstatement \$100 if one DUI or refusal conviction or \$250 if more than once within 10 years	Treatment up to \$10,000 ASAP fee, \$150 Imprisonment up to \$2,000 Reinstatement fees doubled	Also must consider impact on insurance
1st time Class C felony	\$5,000/120 days	\$10,000/180 days	Section 33 (DUI), Section 47 (Refusal)
2nd time Class C felony	\$5,000/240 days	\$10,000/360 days	Section 33 (DUI), Section 47 (Refusal)
3rd or subsequent time Class C felony	\$5,000/360 days	\$10,000/440 days	Section 33(DUI), Section 47 (Refusal)
License revocation	Shall revoke with time limits	Permanent Revocation but ability to reapply after 10 years	Section 33, Section 35 for reinstatement
Vehicle forfeiture	May order	Shall forfeit	Section 33 (DUI), Section 47 (refusal)
Vehicle registration		Revoked for all vehicles owned or co-owned	Section 33 (DUI), Section 47 (refusal)
Imprisonment - misdemeanor & felony		Portion may be suspended if successfully completes therapeutic court	Section 35
Fines - misdemeanor & felony		Up to 50% may be suspended	Section 35

Full report: <http://www.ci.anchorage.ak.us/mixor/>

Final Report of the DUI Prevention Task Force



Municipality of Anchorage

October 30, 2000

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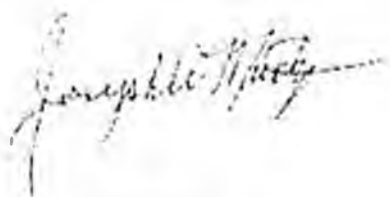
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October 30, 2000

Statement of Intent

The intent of this DUI Task Force has been to fashion realistic recommendations that fulfill its mandate to advise the Mayor and the Assembly on appropriate action necessary to prevent and deter drunken driving in Anchorage. The Task Force addressed many potentially effective suggestions regarding drunken driving prevention and deterrence. Some proved polarizing, complex, and not subject to immediate implementation. Research, testimony, and debate eventually produced consensus as to the recommendations. While the majority of the recommendations were the product of pure consensus, certain elements within the report met with objections by one or two members. As a whole, however, the entire Task Force endorses the report.

It is our intent to provide you simple, not simplistic, guidance in dealing with the problem of drunken driving in Anchorage. You will find no footnotes and few data quotes to complicate the recommendations. As chairmen, we can assure you that the Task Force has done its homework. The Task Force was appointed as a reflection of the community, and the consensus reached in this report should be a good measure of how the recommendations will be embraced by the citizens of Anchorage.



Joe Murdy
Co-Chairman



Bob Bailey
Co-Chairman

Executive Summary

A special citizen's task force on DUI (Driving Under the Influence) was proposed by Mayor George Wuerch and created by a resolution of the Anchorage Assembly on July 18, 2000. The Task Force was created to advise the Mayor and the Assembly on appropriate legislative action necessary to prevent and deter drunken driving in Anchorage. The Task Force consisted of twenty original members, two ex-officio members, two alternates, and one replacement member.

Original Task Force members were co-chairmen Bob Bailey and Joe Murdy, Charlotte Phelps, Marti Greeson, Obed Nelson, Gail Schubert, Judge Elaine Andrews, Jewel Jones, Denise Henderson, Ron Perkins, Jack Amon, John Richard, Janet Seitz, Paul Reid, Curtis Thayer, Rob Heun, Jasmyne Thea Faulk, Bob Young, Bill Chadwick, and Leslie Ridle. Ex-officio members were Chief Duane Udland and Municipal Attorney Bill Greene. Alternate members were Karen Rogina and Denise Trutanic. Judge Andrews eventually withdrew from the task force and was replaced by Wendy Lyford. Assistant Municipal Prosecutor Carmen Clarkweeks provided valuable legal interpretations of state and municipal law.

The Task Force had an organizational meeting in July 2000, and began work sessions in August 2000. Ten full Task Force meetings were held, including one meeting dedicated solely to public testimony in which twenty-two citizens testified. Those testifying were James Gay, Cheryl Mann, Gary T. Spezialy, Dennis Kalpakoff, Joseph Young, Shannon McBride, Rep Norm Rokeberg, Michelle Villard, John Wood, Dan Coffey, Pat Knowles, Jim Messick, Nelson Page, Bill Herman, Don Grasse, Kelly Gillilan-Gibson, Barbara Bennett, Ken Smith, Janet McCabe, Cliff Lamb, Mike Krukar and Philip Petree. One meeting was devoted to an overview of DUI Courts as the Task Force was interested in this concept and its potential. All full Task Force meetings were electronically recorded.

The Task Force's charter outlined the following issues to address:

- State and/or municipal legislation to prevent and deter drunken driving, particularly those previously convicted of driving under the influence of alcohol;
- Enforcement of existing laws and ordinances;
- Other government programs;
- Other organizations, both public and private, that can be of assistance.

The Task Force created three subcommittees to carry out its work in the following areas:

- Current Laws Subcommittee - examined current laws on the books, addressed issues of enforcement and sentencing without additional legislation;
- Courts Subcommittee - examined alternative legal venues for prosecuting offenders, such as DWI and Drug Courts;
- Alternative Solutions Subcommittee - examined what additional can be done to address the problem of drinking and driving, and considered sentencing alternatives.

The subcommittees held several meetings and then presented reports to the full Task Force. The subcommittee reports can be found in the Addendum to this report. These reports generated a composite list of twenty-five subcommittee recommendations that functioned as discussion points for the full task force. The Task Force used a consensus model to develop final recommendations from the discussion points. The final recommendations contained in this Final Report are not presented in any particular order indicating priority.

Summary of Task Force Recommendations

The Task Force addressed the broad spectrum of legislative modifications, enforcement issues, potential government programs, and other types of public and private organizations within the scope of the charter statement and reached consensus on the following recommendations:

State and Municipal Legislative Recommendations

- Change the legal designation from DWI (Driving While Intoxicated) to DUI (Driving Under the Influence)
- Update present statutes to reflect subsequent court decisions
- Make third and subsequent DUIs felonies by eliminating "look back" provisions
- Identify enhancements for charging and sentencing considerations
- Graduate Blood Alcohol Concentration (BAC) levels and penalties from .08, and consider modifying AS 28.35.032, Refusal To Submit To A Chemical Test, to reflect the graduated penalty implications
- Require a valid driver's license and proof of insurance to register a vehicle
- Adopt a mandatory impoundment and forfeiture procedure at the state level
- Explore the feasibility of a centralized clearinghouse for licenses and investigate the expanded options provided by technological advances for tracking licenses whose holders have convictions for certain alcohol related offenses
- Require mandatory alcohol awareness training and a victim's panel as a prerequisite for obtaining a valid resident driver's license
- Provide parameters for monitored, certifiable residential treatment in sentencing when enhancement factors are present
- Offer screening, mandatory alcohol education, and mandatory alcohol assessment during incarceration for DUI
- Provide for monitored alcohol treatment and ensure certifiable minimum standards in all DUI treatment programs
- Adopt Alaska Criminal Justice Assessment Commission recommendation #15 that the state should encourage the expansion of the Department of Health and Social Services Alcohol Safety Action Program (ASAP) through legislation and funding
- Recognize that halfway houses are not appropriate for repeat offenders and analyze halfway house administration
- Adopt Alaska Criminal Justice Assessment Commission recommendation #8 which relates to underage drinkers
- Make AS 04.16.050, Possession, Control, or Consumption by Persons Under 21 a misdemeanor and provide for alcohol treatment or counseling, peer options such as Youth Court, and parental/guardian notification
- Repeal AMC 10.50.015(H), Solicit the Purchase, Attempt to Purchase, or Possess Intoxicating Liquor, and require these offenses be charged under a revised AS 04.16.050

- Establish and fund a DUI Court
- Make AS 28.05.095, Use of Seat Belts and Child Safety Devices Required, a primary law

Enforcement Recommendations

- Encourage focused enforcement of youthful offenders
- Encourage the state to enforce and prosecute AS 28.35.280, Minor Operating a Vehicle After Consuming
- Establish a Report Every Drunk Driver Immediately (REDDI) program in Anchorage
- Expand "Drunk Busters" program, and initiate year round saturation patrols
- Streamline drunken driver arrest processing procedures
- Initiate safety checkpoints when deemed appropriate by law enforcement
- Implement ignition interlock devices as a condition of probation for DUI offenders after their driving privileges have been reinstated

Other Government Programs

- Increase alcohol server mandatory training from every three years to every two years
- Establish media awareness campaigns that target the "1. caught offender"
- Establish mandatory alcohol education and awareness programs in schools
- Study alternative forms of transportation between Girdwood and Anchorage
- Establish an umbrella group to facilitate continued coordination, compilation and exchange of data, and exchange of materials between interested groups and organizations

Public/Private Organizations

- Establish a Responsible Hospitality Institute Chapter in Anchorage