

ALASKA LEGISLATURE

HOUSE and SENATE FINANCE COMMITTEE FILES, 2005-2006 2803

tinted windows, big bass and florescent lights. While looking at car DVD players recently at Anchorage's Pyramid Audio and Video, a young male customer explained their appeal this way: "Chick's dig 'em."

You're not supposed to be able to watch an in-dash DVD player while driving. Owner's manuals for the devices say that they must be hooked to the emergency brake or parking gear, so that you can only turn them on when the car isn't moving.

Why would you want sit behind the wheel in a parked car and watch a movie?

"Have you ever been sitting in the parking lot waiting for your girlfriend or wife to come out of the store?" asked Dave Van Dort, manager of Pyramid Audio and Video.

Van Dort says his shop only installs about one or two dashboard DVDs a month, but industry studies show sales of the players are one of the fastest growing sectors in car entertainment systems. An estimated one hundred and seventy-six thousand in-dash DVD players are expected to be sold this year, up from one hundred and twenty thousand last year, according to the Consumer Electronics Association.

Many people buy in-dash DVD players and install them on their own. Some purposely bypass the emergency brake so they can watch the players as they drive. Alaska State Troopers and state prosecutors say that's how Petterson had his DVD player wired, which along with inattentiveness and high speeds led him to cause the head-on crash that killed a husband and wife on the Seward Highway.



The state is going tough on Petterson, treating him like a drunk driver who survived a fatal wreck. Drinking played no role in the incident, yet Petterson, who is twenty-eight, is charged with four counts of second-degree murder, two counts each for the two people the state says he killed.

Petterson, who is out on bail and living in Anchorage, did not return calls for this story, but he has denied watching the DVD player while driving. His lawyer, Arthur Robinson, said the state has leveled a number of false allegations against his client, including accusing him of trying to pass another car when the accident happened. Robinson said he believes the state is wrongly trying to make an example of his client. "Is that the kind of social policy we want to have, charging murder for something that could have been a simple accident?" he asked.

"Murder implies that there is an intentional action, that the person knows that what they're doing will cause somebody to be killed. I don't think this case merits such charges."

State investigators say interviews and analysis of Petterson's pickup truck tell a different story. In great detail, court documents paint a picture of a guy obsessed with having the ultimate home entertainment system on wheels.

On October 12, 2002, Jamie Petterson and his friend Jonathan Douglas were driving from Kenai to Anchorage in Peterson's Ford F-150 pickup. According to trooper reports, the new, white truck was almost like a moving couch. Peterson had outfitted it with a Pioneer DVD player and five-inch monitor in the dashboard. He'd also hooked up a Sony PlayStation 2 in the front seat.

The DVD player turned on as soon as Petterson flipped the ignition, but that wasn't the way he was supposed to have wired the player. State investigators later found a green tag on the player with a disclaimer that said a safety wire must be connected to the emergency brake switch so that it could not be watched as the car was driven. Petterson or the person who installed it bypassed the brake, they say.

Petterson was ready to hit the road late fall with Road Trip on the DVD player and "Crash Handicoot" in the

PlayStation, according to court documents. Road Trip could prove a distraction to a driver speeding through Southcentral Alaska. "As with all road movies, it's not getting there that matters, but what happens along the way," said one reviewer. "And that means a lot of which has to do with sex."

Whether or not Petterson was preoccupied by, say, Marla Sucharetza's demi star turn as "Sperm Bank Nurse" in Road Trip, or the female auction scene, the state maintains he was also concerned with speed. Other drivers later said Petterson zoomed by them at speeds of more than ninety miles an hour, according to troopers. He was approaching Turnagain Pass when he crossed the center line, near mile 65.5 of the Seward Highway, to pass a car, the state says.

Coming in the other direction were Robert and Donna Weiser, of Anchorage, in a Jeep Grand Cherokee. They tried to swerve out of the way. So did Petterson, but the two cars ended up pointed in the same direction. The vehicles smashed and the Weisers' Jeep caught fire. A passing motorist pulled Donna Weiser from the Jeep but Robert couldn't be rescued before it was engulfed in flames. Both died at the scene.

Petterson and Douglas had minor injuries.

Although Petterson has denied the DVD player was playing, troopers say they pieced together a conflicting account from Douglas, his passenger, who spoke to his ex-wife shortly after the accident. According to troopers, Marty Zoda, Douglas' former wife, said that Douglas called her and told her he was "zoned out on the TV-DVD deal that Jamie has in his truck, and the next thing he knew Jamie said, 'Oh shit,' and they hit a car."

Douglas denies saying that.

Robinson, Petterson's lawyer, says the state's account of what happened is riddled with false statements. Petterson wasn't trying to pass a car, he says; Robert Weiser, in fact, crossed into Petterson's lane.

Robinson also says that an autopsy showed that Robert Weiser, who was sixty, was taking Depakene, an anti-seizure medication, at the time of the accident. The amount in his body was well below the therapeutic level, Robinson said, leading him to speculate that Weiser might have had a seizure just before the accident.

If Petterson is convicted of murder, it may be the first documented case in the country of an in-dash DVD player leading to a fatal car wreck. Nevertheless, such players have reportedly caused problems elsewhere, such as in London, where police are cracking down on people caught driving and watching movies on mini-screens by fining them the equivalent of a hundred dollars.

The stakes are much higher in Petterson's case, of course, but the fact remains that it is not even against the law in Alaska or most other states to have an in-dash television or mini movie screen. It just can't be on while the car is driven. In other words, it's up to the driver to keep it turned off.

Manufacturers of in-dash DVD players and other television devices have sought to shield themselves from liability by stipulating that their warranties are void if the cables for such a device are not properly connected to keep it from playing while a vehicle is in motion.

It takes no particular aptitude to bypass the safety feature. One need only go online for advice and visit a site such as the Dodge Dakota message board (at www.dogedakota.com). One recent posting there explained how to "get around" the emergency brake wiring.

Said another writer to the message board: "I'm no safety nut but rigging you're in-dash DVD player to play while driving is just plain STUPID."

The second-degree murder charges against Petterson cover a wide range of reckless behavior that prosecutors say includes being stupid enough to watch a movie as he drove.

Sergeant Keith Mallard, an Alaska trooper who responded to the wreck last fall, said he believes Petterson went

far beyond simple reckless driving.

"The reality of it is he showed a blatant disregard for driving and cost two people their lives," Mallard said. "Does that make him a murderer? Well, I won't answer that. We'll leave that up to the jury."

Supporters of Petterson say a murder conviction would bring a harsh punishment for a man who has no criminal record. State records do show, however, that Petterson had fifteen speeding tickets and other traffic violations between 1991 and 1999.

Petterson's friends are raising money to fight the charges against him, and have set up a website with the provocative address www.accidentsjusthappen.com.

Alcohol-related wrecks can result in murder charges, Robinson said, but he doesn't believe distractions such as in-dash movies are necessarily as grave. Besides, he said, Petterson, his client, did nothing wrong.

"Do you know how many things (there are) that distract drivers?" he said. "There are cell phones, navigation monitors... I mean, the state hasn't even outlawed the use of cell phones in cars."

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Petterson found not guilty on murder charges

Tuesday, August 10, 2004 - by Warren Williamson

Kenai, Alaska - Not guilty on all counts. That was the decision Tuesday in the second-degree murder trial of 29-year-old Jamie Petterson, the Kenai man accused of watching an onboard DVD movie that the state says caused a head-on collision, killing two people on the Seward Highway.



Clark Werner/KTUU

"We, the jury, find the defendant, Erwin J. Petterson Jr., not guilty of murder in the second degree."

After just five hours of deliberation, the jury returns its first verdict.

"We, the jury, find the defendant, Erwin J. Petterson Jr., not guilty of the lesser included offense."



Clark Werner/KTUU

At that, defense attorney Chuck Robinson hugged his client while Petterson exhaled a sigh of relief. The jury acquitted Petterson of all charges, including the lesser counts of manslaughter and criminally negligent homicide.

The decision came nearly two years after a horrific head-on collision on the Seward Highway took the lives of Robert and Donna Weiser.

"The state should have never brought this case in a criminal court," Robinson said after the trial. "They didn't have criminal evidence, and the jury agreed."

For Petterson, the decision had been a long time coming. "It's weighed on me heavy since Day 1," he said. "It's been a struggle. I mean, family and friends have pulled together to help with everything, money, third party, work, everything." He has been unable to work or drive for two years, and he says he now faces legal bills of about \$90,000.

Jurors actually were given the case about 1 p.m. Monday and left the courthouse for the day about 5 p.m. After returning Tuesday, it took them less than an hour to tell the judge that they had reached a verdict.

As for the family and friends of the Weisers, they say the decision was a disappointment, but admit the case from the beginning has been a difficult one to win.



Chris Werner/KTUU

"I wish I could say that it was a surprise," said David Weiser, a son of the victims. "But I think that, with the speed that the jury came back and the burdens that are placed on the state and the prosecution, 'beyond reasonable doubt,' I think that it didn't come as much of a shock."

"Regardless of the outcome of this trial, it wasn't going to heal what pains us," said Martin Weiser, also a son of the victims. "Justice wasn't served."

But long-term justice may be served. The defense team agree that, while Peterson was acquitted, this trial is a good beginning for discussions leading to a change in laws.

"A DVD player in your dash that you don't use is no more distracting than a radio that you're listening to, or kids or animals or food," said defense attorney Eric Derleth. "So we feel that the evidence just wasn't there that distracted driving was a part of this collision. But it certainly can't hurt to bring that topic into the forum for discussion in our society."

For right now, two families must find a way to rebuild their lives. For Martin and David Weiser, admittedly, finding the strength to move on will be difficult. Especially with a stark reminder -- a license plate reading GRNPAA -- of loving parents lost.



Chris Werner/KTUU

"Two years later, I still have my mom's last voice mail to me on my cell phone," said David Weiser. "I'm no more capable of deleting that right now, right this second, post-trial, than I was before."

For Jamie Peterson, it's a lifetime of memories of that horrible day two years ago. "I'll never forget this. It'll never go away," he said. A tragedy that took the lives of two innocent people.

The Weiser family did speak to Peterson after the verdict was read Tuesday. One told him, "You have a long life to live. Live it well."

KTUU-TV anchor John Tracy interviewed Peterson and his attorney

after the verdict.



Chris Werner/KTUU

Mr. Petterson, what emotions were you experiencing the moment you heard those precious two words 'not guilty'?

I couldn't even describe it. I really don't know.

Mr. Robinson, I don't think I've ever seen an attorney jump higher when a verdict was read. It was a quick decision, indicating that you did a good job of convincing this jury. Is there a key piece of testimony or evidence that you credit for Jamie's acquittal?

Yes, after talking to some of the jurors, we found out that the 911 caller, Mr. Steve Couture, was a very credible and instrumental piece of evidence and witness in this case, that caused the jury to have some reasonable doubt as to Mr. Petterson's guilt.

Are you surprised at the speedy return of this jury?

Actually, I thought they'd come back a little sooner, so I was a little worried last night. But when we were called this morning at about 10 o'clock, I felt pretty good that we had this case won.

Mr. Petterson, I know this is a victory for you and your family, but in the end, two people are still dead, and you yourself could have been killed. How much responsibility do you accept for this crash?

That's a tough thing to say. I mean there's a lot of things that I think I maybe could have done differently, but I'll never know.

Gentlemen, as you both know, this case generated a fair amount of national attention because of the growing popularity of DVDs in cars. Mr. Petterson, one question still nags at me from the trial -- if you did not watch DVDs while driving, why did you bypass the safety device that prohibits the DVD from playing while someone is driving?

It was just a matter of, it was easier to do. It was honestly easier to do on a bench, rather than having to change that in a car.



Mr. Robinson, you know that there has been all sorts of talk about perhaps changes in state law, and you certainly indicated to the jury that there currently is no state law preventing these in-dash DVDs.

Would now be the time, and would you support, such a law?

Well, I'm never for this attitude of, 'There's got to be a law against.' We've adapted to all sorts of entertainment in our automobiles since we left the horse and buggy days, from radios to CBs to CDs. I think that it just goes along with common sense, that it's pretty hard to watch a movie on a high-speed highway where you're going at least 65 mph, traveling over 100 miles. I doubt very seriously that anybody with good common sense would be watching a DVD anyway. So, I understand that it's legal in California, which is the largest populace state in the country, probably has the most vehicles per state, and it's not prohibited there, because when people get stuck in traffic jams in Los Angeles, it might be a good idea for them while they're waiting 45 minutes to an hour to entertain themselves with a movie.

Final question, Mr. Petterson. Your life's been on hold for two years, what's next for you?

Just going to get back to work. I've got a lot of people to pay back for all of this. So get back to work, get my life back on track.

Channel 2 Broadcasting Inc.
<http://www.ktuu.com/>

Subject: Bob and Donna Weiser: Trial starts this Monday, July 19th with jury selection.
From: "David Weiser" <davidw@theworld.com>
Date: Sat, 17 Jul 2004 09:21:14 -0400
To: "Max Gruenberg" <Representative_Max_Gruenberg@Legis.state.ak.us>
CC: <mbweiser@pci.net>

Max:

Update on the status of the trial, below

At some point I would like to speak with you about the possibility of presenting legislation that can serve to prevent this type of tragedy in the future. Alaska is by no means on the cutting edge of this type of legislation from what I understand. Something needs to be on the books making it illegal to even put these things in the front of a pickup truck. The way I understand it currently you can install one, nothing illegal about that, but it would be illegal to use it. That's like making Stinger missiles available in the open market by competition to terrorists (even creating a market for them) but making it illegal for them to actually fire one at a US plane. Everyone I speak to cannot fathom that it is even possible to have an in-dash DVD player in the front of a pickup truck that will actually work. And is easily made to do so by the driver of the vehicle. Even though it is illegal, you never hear of anyone being arrested for having a workable screen in their car. At best the person would probably receive a \$10 ticket or something? You have better access to that answer than I would. Once a law is on the books, as you know the next step is enforcement. But at least if there are tragic circumstances as in this case, the law exists with harsh penalties for violation?

Just some thoughts. Now that the defendant is about to go to trial I'm interested in pursuing this matter legislatively. Is that something you would be able to help me with?

David Weiser

----- Original Message -----

From: David Weiser

To: William M. Mehner ; Throop Brown ; Swmikel@aol.com ; Steven Newman ; Stacy Letton ; Shannon Kordas ; Sandy Gibbs ; Russ Norrg ; Roz Jones ; Ray Ellis ; Phil Weinberg ; Phil Lowenthal ; Mitchell J. (Mickey) LaBrie ; Mitch and Suzanne Shapira ; Mindy Sohcot ; Mike Schneider ; Mike Davis ; Mike Beckerman ; Michael Davis ; Maxine Rosenthal ; matthew_glogowski@us.ibm.com ; Matthew Glogowski ; Matt Bremson ; Linda Newman & Bob Steingisser ; Larry & Tirza Weiser ; Joy Kucinski ; Joy Kucinski ; Jodie Welch ; Jim Lucason ; Jill Piscitelle ; JESSE G. CHAVEZ ; Hinda and Andy Piscitelle ; Gayle Davis ; Gary Schloss ; Gary and Barbara Zipkin ; Gail and Mike Stemborski ; Fran Bremson ; Florence Frohman ; Erika Swanson ; Erika Swanson ; Doug Geiss ; Doug Geiss ; Davis, Barry S. ; David Weiser ; Dave Wolf ; Curt Michael ; Cheryl Bremson ; Cathy (Frawley) Doran ; Brock Shamberg ; Brian Meyers ; Bonnie Mehner ; Bob Steingisser ; Bethany Mehner-Weiser ; Anthony Moccia ; Ann Bardake ; Aaron Newman ; Mike and Judy Dapelo

Sent: Friday, July 16, 2004 10:51 PM

Subject: Trial starts this Monday, July 19th with jury selection.

Update:

After many postponements all at the request of the defense, Irwin Petterson, Jr. finally goes to trial on Monday, July 19th, accused of killing my parents Bob and Donna Weiser as a result of driving at high speeds while watching a DVD movie in the front of his pickup truck. <http://www.alachua.com/news/archives/courtesyof12ed-14.html> The DA is somewhat short on specifics as so much is up to change in a trial. But here's what I know.

The trial starts on Monday with jury selection, a process that should take between 2 to 3 days by estimation. This puts opening statements as early as Wednesday, but more likely Thursday. The trial is expected to last between 3 to 4 weeks, but that's a wide open estimate. Could be less or more. But with serious charges of 2nd degree murder, it is more likely to go

longer?

I've left my job of 8 years (permanently) to attend the trial which is projected to last far longer than I originally anticipated. My travel requirements became a source of tension at my job and a 4 week absence wasn't going to work for the ownership of the company. Such is life. Anyone interested is welcome to email me about my future plans.

Marty, Beth, and I will be attending the trial on a full time basis. I'm not sure if they will have to come and go as Isabel (6) and Sophie (4) will require their presence. The trial is being held in Kenai which is 2 hours or so South of Anchorage. Our accomodations are somewhat figured out, but it won't be easy especially being so far outside Anchorage. I am not expecting easy internet access, but will seek out internet cafes where they might be found.

The first witness to be called (at this time) will be my sister-in-law Bethany. It's a brave thing she is doing, the purpose of which is to put a human touch to the loss of my parents. I didn't feel like I should be up on the witness stand and Marty felt the same way from what I can tell.

A question that has been asked: Petterson has never attempted any contact with us to show remorse. And neither my brother or I have ever attempted contact either. We've heard his voice during telephonic participation in court proceedings, but neither of us have ever seen him in person. It should be interesting, speaking for myself anyway.

David Weiser
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Signature powered by Plaxo ... Want a signature like this?



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March 16, 2005

VIA E-MAIL

Page 1 of 3

The Honorable Paul Seaton
Chair, State Affairs Committee
House of Representatives
Alaska State Capitol
Juneau, Alaska 99801-1182

Re: H.B. 12 ("An act relating to televisions and monitors in motor vehicles")

Dear Representative Seaton:

The Consumer Electronics Association (CEA) appreciates the opportunity to present comments regarding House Bill 12 for the hearing scheduled on March 17, 2004 before the House State Affairs Committee.

CEA represents more than 1,800 companies involved in the design, development, manufacturing, distribution and integration of audio, video, in-vehicle electronics, wireless and landline communications, information technology, home networking, multimedia and accessory products, as well as related services that are sold through consumer channels. CEA also produces the nation's largest annual trade event, the International Consumer Electronics Show.

CEA welcomes the introduction of H.B. 12, which is an opportunity to revise and elevate Alaska's current law concerning in-vehicle video displays. CEA's main interest in this subject is to achieve and maintain a consistent regulatory approach to in-vehicle video displays across the United States, which benefits consumers, industry and the law enforcement community.

Two years ago, CEA developed model legislation regarding in-vehicle video displays, and versions of the model have been enacted in both California and Louisiana. The Louisiana legislation was subsequently adopted by the Council of State Governments for its 2004 volume of *Suggested State Legislation*. Attached is a copy.

The CEA model legislation (copy below) achieves three important objectives with regard to regulating in-vehicle video displays: consistency, flexibility and focus. As mentioned above, it is beneficial to achieve and maintain uniformity among the states with laws on this subject. Secondly, regarding flexibility, the model legislation avoids calling out specific technologies, which always change over time. Finally, the model legislation focuses on the video functions of concern while avoiding a broad ban on any visual presentation, such as navigation displays.

**Suggested Language for Legislation
Concerning In-Vehicle Video**

- (a) A person may not operate a motor vehicle if a television receiver, a video monitor, or a television or video screen capable of displaying a television broadcast or video signal that produces entertainment or business applications, is located in the motor vehicle at any point forward of the back of the driver's seat, or is visible to the driver while operating the motor vehicle.
- (1) Section (a) does not apply to the following equipment when installed in a motor vehicle:
- (i) A vehicle information display;
 - (ii) A navigation or global positioning display;
 - (iii) A visual display used to enhance or supplement the driver's view forward, behind, or to the sides of a motor vehicle for the purpose of low-speed maneuvering of the vehicle;
 - (iv) A television receiver, video monitor, television or video screen or any other similar means of visually displaying a television broadcast or video signal, if that equipment has a device that, when the motor vehicle is being driven, disables the equipment for all uses except as a visual display as described in paragraphs (i)–(iii).
- (b) A person may not install in a motor vehicle a television receiver, a video monitor, or a television or video screen capable of displaying a television broadcast or video signal that produces entertainment or business applications at any point forward of the back of the driver's seat, or that is visible to the driver while operating the motor vehicle.

As introduced, H.B. 12 closely follows the model supported by CEA. One issue the committee might wish to consider is whether the last sentence in Section (b) of the H.B. 12 is redundant given the preferred language in Section (c)(5). In addition, the reference to "remove power" in Section (b) might be too proscriptive.

House State Affairs Committee
March 16, 2005
Page 3

Thank you again for the opportunity to provide the views of the consumer electronics industry regarding H.B. 12, and please let us know if you or the Committee have questions or need additional information.

Sincerely,

A handwritten signature in cursive script that reads "Douglas Johnson". The signature is written in black ink and includes a horizontal line extending to the right from the end of the name.

Douglas Johnson
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House Bill 12 – Televisions and monitors in motor vehicles.

Deborah Jilly, MPH, CLS
Acting Chief, CHEMS
Div. of Public Health
Department of Health & Social Services

The intent of this legislation is to prevent motor vehicle crashes and the related injury and death of the vehicle occupants, and pedestrians involved at the crash site, by giving law enforcement agencies the authority to cite drivers who are viewing entertainment devices.

Research has shown that 25% to 56 % of all crashes in the United States involve factors where the driver of a motor vehicle is distracted or is inattentive.

In 2002, A Gallop Survey of Distracted and Drowsy Driving Attitudes and Behaviors found that 22% of causes that led to a crash were the result of dealing with technology within the vehicle. The technology included cell phones, beeper, in-car navigation system, GPS, internet-email, radios, etc.

In Alaska, the National Center for Statistics, Fatality Analysis Reporting System or FARS listed driver inattention or inattentiveness as the primary factor in nearly 7% of fatal crashes in 2003. (2002 – 9.7%; 2001 – 5.4%)

Development of electronic devices for use with a motor vehicle is rapid growing field.

The majority of manufacturers of in-vehicle entertainment systems have reviewed issues pertaining to driver distraction and have included features to minimize distraction such as

- Locating screens out of view of the driver;
- Providing headphone jacks for occupants;
- Developing electronic interlock systems that prohibit driver viewing while the vehicle is in motion.

Yet, the need to improve technology to minimize driver distraction has been acknowledged by automotive manufacturers. Terry Connolly, Director of GM Safety Center acknowledged the growing trend of in-vehicle entertainment system; in turn, manufacturers must address driver distraction in order to ensure safety features are incorporated in future technologies.

- Minimize hands-on, eyes off-the-road time
- Simplify or reduce the number of steps to adjust technology
- Development of a common interface system for multiple devices

However, R&D for these safety features is lagging behind consumer demand.

Detail information in support of this topic.

- Thirty-eight states have legislation banning front-seat entertainment systems;
- Twelve states with similar laws pertaining to televisions and monitors in motor vehicles exempt moving maps and driving direction systems.

Consumers can purchase and install in-vehicle entertainment systems in vehicles not already equipped and the consumer installation can bypass safety devices and manufacturer recommendations for location of screens and controls.

It is also possible, and technology exists, to modify moving map displays to view movies and dvds.

And as fast as these safety features are developed and implemented by manufacturers, information is available on how to disengage, turn-off or circumvent the safety device on the web.

It should also be noted that it is possible to use a portable (laptop) computer in a motor vehicle for various applications such as listening to music, viewing GPS/map software, and potential view movies. While manufacturers of portable computers and software for maps recommended not using the equipment by drivers while driving, these are only recommendations.

nbc6.net

NBC 6 Investigation: Reckless Ride

More Motorists Watching TV While Driving

POSTED: 9:02 am EST February 11, 2005
UPDATED: 7:19 am EST February 16, 2005

MIRAMAR, Fla. -- They're on our roadways -- people driving and watching TV screens at the same time. It's a reckless ride that NBC 6 found happening more and more.

Watching video in cars has been around for years, but usually for passengers in the back seat.

FeedRoom



Reckless Ride
NBC 6 FeedRoom

Now, more of these new entertainment systems are being installed in the front seat where drivers can see them. You can watch movies, music videos and even live television.

For safety's sake, the driver is supposed to be restricted from watching while the car is moving, but NBC 6's Willard Shepard found several motorists watching while driving.

SURVEY

Can motorists safely watch television and drive at the same time?

- Yes
- No

[Vote](#)

[Results](#) | [Disclaimer](#)

"Sure, I could watch the DVD while driving," Janet Rodriguez said.

"If we be careful and pay attention to the road, we're not going to hurt nobody," Juan Montoya said.

In West Miami-Dade County, downtown, on Miami Beach and in Broward County, NBC 6 found drivers breaking the law -- finding ways around safety systems designed to prevent viewing television from the driver's seat.

Alaska prosecutors say driving and watching television led to a crash that killed Robert and Donna Weiser. Some legal observers say driver Jamie Petterson was acquitted of murder in the case because police didn't establish exactly what he was viewing before the TV device was taken from the dashboard after the crash.

On the 836, NBC 6 saw Steven Rivera watching a DVD and talking on his cell phone at 60 mph. When interviewed, he told us about clubs sprouting up for those who drive and watch.

"We've got the same TV on the dash in the same place," Rivera said.

Surprisingly in Florida, watching while driving is a non-criminal traffic infraction. The penalty is a \$71 ticket -- no deterrent to drivers like Montoya, who has an illegal TV.

"Yeah, I've been stopped. We got a lot of tickets," he said.

As a state legislator, Miami-Dade Commissioner Sally Heyman tried to toughen the penalties for distracted drivers. A study she pushed found that distracted drivers were hurt or killed twice as often as drivers in other accidents.

She says it's only a matter of time before a TV-watching driver kills a South Florida resident.

"As it becomes more available, as more people do it, you bet (it will happen)," Heyman said.

Lester Taks, who runs Cartronics where these entertainment systems are properly installed, says the front seat TVs are manufactured with devices to shut the video off when the car is in motion.

"It will shut down and this is the way they come from the factory," Taks said. "They are designed to work that way -- all of them."

But drivers told NBC 6 they didn't have any trouble finding ways around the safeguards. Some even told us where they had the work done.

With our undercover camera rolling, a worker at the Senior Stereo outlet in Pembroke Pines said, "We could hook it up so you can watch it."

But when confronted with a camera, the workers officially had no comment. Later, the company faxed a statement saying, "These systems are installed according to manufacturer recommendations."

Montoya said Best Buy installed his TV system and it came so he could watch and drive at the same time.

"That's how they do it," he said.

We went to a Best Buy store on Pines Boulevard where one employee told an NBC 6 producer how to bypass the safety system, but he said they would not do it and that we would have to do it on our own.

Best Buy responded saying it is concerned about the safe use of mobile electronics products and that the "products are installed in a manner that ensures the video mode of the product is not operable while the vehicle is in motion."

Florida Attorney General Charlie Crist says there's a need for the Legislature to take a close look at updating the Florida law to protect everyone on the road.

"If it is happening and it is increasing ... That's why it's important for policy makers to be vigilant about what modern technologies keep coming online," Crist said.

Another distraction is other motorists driving near a car with a TV screen because they're tempted to look over and see what's playing.

Installers point out the screens play a valuable role for drivers, displaying navigation aids and rear-mounted cameras that prevent backing over children.

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Can motorists safely watch television and drive at the same time?

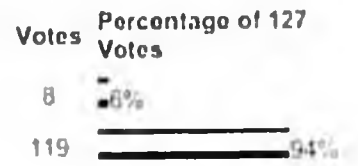
Choice

Yes

No

Thanks for sharing your opinion!

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(2) two or more crimes under AS 11.41, a consecutive term of imprisonment shall be imposed for at least

(A) the mandatory minimum term under AS 12.55.125(a) for each additional crime that is murder in the first degree;

(B) the mandatory minimum term for each additional crime that is an unclassified felony governed by AS 12.55.125(b);

(C) the presumptive term specified in AS 12.55.125(c) or the active term of imprisonment, whichever is less, for each additional crime that is

(i) manslaughter; or

(ii) kidnapping that is a class A felony;

(D) two years or the active term of imprisonment, whichever is less, for each additional crime that is criminally negligent homicide;

(E) one-fourth of the presumptive term under AS 12.55.125(c) or (i) for each additional crime that is sexual assault in the first degree under AS 11.41.410 or sexual abuse of a minor in the first degree under AS 11.41.434, or an attempt, solicitation, or conspiracy to commit those offenses; and

(F) some additional term of imprisonment for each additional crime, or each additional attempt or solicitation to commit the offense, under AS 11.41.200 — 11.41.250, 11.41.420 — 11.41.432, 11.41.436 — 11.41.458, or 11.41.500 — 11.41.520.

(d) In this section,

(1) "active term of imprisonment" means the total term of imprisonment imposed for a crime, minus suspended imprisonment;

(2) "additional crime" means a crime that is not the primary crime;

(3) "primary crime" means the crime

(A) for which the sentencing court imposes the longest active term of imprisonment; or

(B) that is designated by the sentencing court as the primary crime when no single crime has the longest active term of imprisonment. (§ 3 ch 125 SLA 2004)

Effective dates. — Section 9, ch 125, SLA 2004, provides that this section applies to offenses occurring on or after July 1, 2004.

Editor's notes. — Section 9, ch 125, SLA 2004

Sec. 12.55.135. Sentences of imprisonment for misdemeanors. (a) A defendant convicted of a class A misdemeanor may be sentenced to a definite term of imprisonment of not more than one year.

(b) A defendant convicted of a class B misdemeanor may be sentenced to a definite term of imprisonment of not more than 90 days unless otherwise specified in the provision of law defining the offense.

(c) A defendant convicted of assault in the fourth degree that is a crime involving domestic violence committed in violation of the provisions of an order issued or filed under AS 12.30.027 or AS 18.66.100 — 18.66.150 and not subject to sentencing under (k) of this section shall be sentenced to a minimum term of imprisonment of 20 days.

(d) A defendant convicted of assault in the fourth degree who knowingly directed the conduct constituting the offense at a uniformed or otherwise clearly identified peace officer, fire fighter, correctional employee, emergency medical technician, paramedic, ambulance attendant, or other emergency responder who was engaged in the performance of official duties at the time of the assault shall be sentenced to a minimum term of imprisonment of

(1) 60 days if the defendant violated AS 11.41.230(a)(1) or (2);

(2) 30 days if the defendant violated AS 11.41.230(a)(3).

(e) If a defendant is sentenced under (c), (d), or (h) of this section,

(1) execution of sentence may not be suspended and probation or parole may not be granted until the minimum term of imprisonment has been served,

(2) imposition of sentence against the defendant be imprudent under the section; and

(3) the minimum term of imprisonment;

(f) A defendant convicted of a crime under AS 11.46.365(a)(1) shall be sentenced to a term of imprisonment of not more than

(g) A defendant convicted of a crime involving domestic violence shall be sentenced to a term of imprisonment of

(1) 30 days if the crime is a crime involving domestic violence against a person or a minor;

(2) 60 days if the crime is a crime involving domestic violence against a person or a minor in the second degree;

(h) A defendant convicted of a crime involving domestic violence shall be sentenced to a term of imprisonment of 35 days if

(i) If a defendant is sentenced to a term of imprisonment of 35 days or more, the court shall grant the defendant a minimum term of imprisonment of

(1) execution of sentence may not be suspended and probation or parole may not be granted until the minimum term of imprisonment has been served;

(2) imposition of sentence against the defendant be imprudent under the section; and

(3) the minimum term of imprisonment;

(j) In this section,

(1) "crime against another jurisdiction" means a crime that is committed in another jurisdiction but is punishable in this state;

(2) "crime involving domestic violence" means a crime involving domestic violence as defined in AS ch 166 SLA 1978; am § 1982; am § 31 ch 143 SLA 1996; am § 3 ch 6 SLA 1996; 9 ch 86 SLA 1998; am § 1998.

(3) "crime involving domestic violence against a person or a minor" means a crime involving domestic violence against a person or a minor as defined in AS ch 166 SLA 1978; am § 1982; am § 31 ch 143 SLA 1996; am § 3 ch 6 SLA 1996; 9 ch 86 SLA 1998; am § 1998.

(4) "crime involving domestic violence against a person or a minor in the second degree" means a crime involving domestic violence against a person or a minor in the second degree as defined in AS ch 166 SLA 1978; am § 1982; am § 31 ch 143 SLA 1996; am § 3 ch 6 SLA 1996; 9 ch 86 SLA 1998; am § 1998.

(5) "crime involving domestic violence against a person or a minor" means a crime involving domestic violence against a person or a minor as defined in AS ch 166 SLA 1978; am § 1982; am § 31 ch 143 SLA 1996; am § 3 ch 6 SLA 1996; 9 ch 86 SLA 1998; am § 1998.

(6) "crime involving domestic violence against a person or a minor in the second degree" means a crime involving domestic violence against a person or a minor in the second degree as defined in AS ch 166 SLA 1978; am § 1982; am § 31 ch 143 SLA 1996; am § 3 ch 6 SLA 1996; 9 ch 86 SLA 1998; am § 1998.

(7) "crime involving domestic violence against a person or a minor" means a crime involving domestic violence against a person or a minor as defined in AS ch 166 SLA 1978; am § 1982; am § 31 ch 143 SLA 1996; am § 3 ch 6 SLA 1996; 9 ch 86 SLA 1998; am § 1998.

(8) "crime involving domestic violence against a person or a minor in the second degree" means a crime involving domestic violence against a person or a minor in the second degree as defined in AS ch 166 SLA 1978; am § 1982; am § 31 ch 143 SLA 1996; am § 3 ch 6 SLA 1996; 9 ch 86 SLA 1998; am § 1998.

(9) "crime involving domestic violence against a person or a minor" means a crime involving domestic violence against a person or a minor as defined in AS ch 166 SLA 1978; am § 1982; am § 31 ch 143 SLA 1996; am § 3 ch 6 SLA 1996; 9 ch 86 SLA 1998; am § 1998.

(10) "crime involving domestic violence against a person or a minor in the second degree" means a crime involving domestic violence against a person or a minor in the second degree as defined in AS ch 166 SLA 1978; am § 1982; am § 31 ch 143 SLA 1996; am § 3 ch 6 SLA 1996; 9 ch 86 SLA 1998; am § 1998.

(11) "crime involving domestic violence against a person or a minor" means a crime involving domestic violence against a person or a minor as defined in AS ch 166 SLA 1978; am § 1982; am § 31 ch 143 SLA 1996; am § 3 ch 6 SLA 1996; 9 ch 86 SLA 1998; am § 1998.

(12) "crime involving domestic violence against a person or a minor in the second degree" means a crime involving domestic violence against a person or a minor in the second degree as defined in AS ch 166 SLA 1978; am § 1982; am § 31 ch 143 SLA 1996; am § 3 ch 6 SLA 1996; 9 ch 86 SLA 1998; am § 1998.

(13) "crime involving domestic violence against a person or a minor" means a crime involving domestic violence against a person or a minor as defined in AS ch 166 SLA 1978; am § 1982; am § 31 ch 143 SLA 1996; am § 3 ch 6 SLA 1996; 9 ch 86 SLA 1998; am § 1998.

(14) "crime involving domestic violence against a person or a minor in the second degree" means a crime involving domestic violence against a person or a minor in the second degree as defined in AS ch 166 SLA 1978; am § 1982; am § 31 ch 143 SLA 1996; am § 3 ch 6 SLA 1996; 9 ch 86 SLA 1998; am § 1998.

(15) "crime involving domestic violence against a person or a minor" means a crime involving domestic violence against a person or a minor as defined in AS ch 166 SLA 1978; am § 1982; am § 31 ch 143 SLA 1996; am § 3 ch 6 SLA 1996; 9 ch 86 SLA 1998; am § 1998.

(16) "crime involving domestic violence against a person or a minor in the second degree" means a crime involving domestic violence against a person or a minor in the second degree as defined in AS ch 166 SLA 1978; am § 1982; am § 31 ch 143 SLA 1996; am § 3 ch 6 SLA 1996; 9 ch 86 SLA 1998; am § 1998.

(17) "crime involving domestic violence against a person or a minor" means a crime involving domestic violence against a person or a minor as defined in AS ch 166 SLA 1978; am § 1982; am § 31 ch 143 SLA 1996; am § 3 ch 6 SLA 1996; 9 ch 86 SLA 1998; am § 1998.

(18) "crime involving domestic violence against a person or a minor in the second degree" means a crime involving domestic violence against a person or a minor in the second degree as defined in AS ch 166 SLA 1978; am § 1982; am § 31 ch 143 SLA 1996; am § 3 ch 6 SLA 1996; 9 ch 86 SLA 1998; am § 1998.

IMPRISONMENT FOR MISDEMEANORS

Constitutionality of present provisions. — See notes under AS 12.55.125, *Nell v. State*, 642 P.2d 99 (1982).

Maximum sentence for joyri. — The district court judge was not a

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(2) imposition of a sentence may not be suspended except upon condition that the defendant be imprisoned for no less than the minimum term of imprisonment provided in the section; and

(3) the minimum term of imprisonment may not otherwise be reduced.

(f) A defendant convicted of vehicle theft in the second degree in violation of AS 11.46.365(a)(1) shall be sentenced to a definite term of imprisonment of at least 72 hours but not more than one year.

(g) A defendant convicted of assault in the fourth degree that is a crime involving domestic violence shall be sentenced to a minimum term of imprisonment of

(1) 30 days if the defendant has been previously convicted of a crime against a person or a crime involving domestic violence;

(2) 60 days if the defendant has been previously convicted two or more times of a crime against a person or a crime involving domestic violence, or a combination of those crimes.

(h) A defendant convicted of failure to register as a sex offender or child kidnapper in the second degree under AS 11.56.840 shall be sentenced to a minimum term of imprisonment of 35 days.

(i) If a defendant is sentenced under (g) of this section,

(1) execution of sentence may not be suspended and probation or parole may not be granted until the minimum term of imprisonment has been served;

(2) imposition of sentence may not be suspended;

(3) the minimum term of imprisonment may not otherwise be reduced.

(j) In this section,

(1) "crime against a person" means a crime under AS 11.41, or a crime in this or another jurisdiction having elements similar to those of a crime under AS 11.41;

(2) "crime involving domestic violence" has the meaning given in AS 18.66.990. (§ 12 ch 166 SLA 1978; am § 2 ch 139 SLA 1980; am § 22 ch 59 SLA 1982; am § 13 ch 61 SLA 1982; am § 31 ch 143 SLA 1982; am §§ 4, 5 ch 92 SLA 1983; am §§ 5, 6 ch 53 SLA 1991; am § 3 ch 6 SLA 1996; am § 14 ch 64 SLA 1996; am §§ 5, 6 ch 71 SLA 1996; am §§ 8, 9 ch 86 SLA 1998; am §§ 3, 4 ch 106 SLA 1998)

Revisor's notes. — Subsection (h) was enacted as (g). Relettered in 1998, at which time the cross-reference in subsection (e) was conformed.

Subsections (j) and (j) were enacted as (h) and (i), respectively. Relettered in 1998.

Cross references. — For legislative findings and purpose in connection with the enactment of subsection (f), see §§ 1 and 2, ch 53, SLA 1991 in the Temporary and Special Acts.

Effect of amendments. — The 1991 amendment, effective September 13, 1991, rewrote subsection (e) and added subsection (f).

The first 1996 amendment, effective June 27, 1996, in subsection (d), substituted "who knowingly directed the conduct constituting the offense at" for "upon," "correctional employees" for "correctional officer," and paragraphs (1) and (2) for ".30 days."

The second 1996 amendment, effective July 1, 1996, in subsection (e), inserted "or filed" and "or issued under former" and inserted section references.

The third 1996 amendment, effective June 20, 1996,

in the introductory language in subsection (e), deleted "Except as provided in AS 12.55.055(f)," from the beginning and ", or (f)" following "(d)" and made related stylistic changes and rewrote subsection (f).

The first 1998 amendment, effective June 13, 1998, rewrote subsection (e) and added subsections (g), (h), and (j).

The second 1998 amendment, effective January 1, 1999, inserted a subsection reference and made minor stylistic changes in subsection (e) and added subsection (h).

Editor's notes. — Section 7, ch 6, SLA 1996 provides that the 1996 amendment to (d) of this section applies "to all offenses committed on or after June 27, 1996."

Section 22(c), ch 86, SLA 1998 provides that with respect to the 1998 enactment of subsections (g), (h), and (j), "[r]eferences to previous convictions in this Act apply to all convictions occurring before, on, or after June 13, 1998."

NOTES TO DECISIONS

Constitutionality of presumptive sentencing provisions. — See notes under same heading, AS 12.55.125. *Nell v. State*, 642 P.2d 1361 (Alaska Ct. App. 1982).

Maximum sentence for joyriding justified. — The district court judge was not clearly mistaken in

characterizing a defendant as a worst offender, and in imposing the maximum sentence of one year for third-degree criminal mischief (joyriding). Despite the limited period of time in which the defendant committed the offenses, the defendant's record, coupled with the especially serious nature of the particular joyrid-

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583 P.2d 840 (Alaska 1978); *State v. Afcan*, 583 P.2d 849 (Alaska 1978); *Daniels v. State*, 584 P.2d 47 (Alaska 1978); *Honeycutt v. State*, 583 P.2d 805 (Alaska 1978); *Ferguson v. State*, 590 P.2d 43 (Alaska 1979); *One v. State*, 592 P.2d 1193 (Alaska 1979); *Dayton v. State*, 598 P.2d 67 (Alaska 1979); *Stone v. State*, 598 P.2d 72 (Alaska 1979); *Edinger v. State*, 598 P.2d 943 (Alaska 1979); *Larson v. State*, 598 P.2d 946 (Alaska 1979); *LaBarbera v. State*, 598 P.2d 947 (Alaska 1979); *Elstad v. State*, 599 P.2d 137 (Alaska 1979); *Charles v. State*, 606 P.2d 390 (Alaska 1980); *Pyrdol v. State*, 617 P.2d 513 (Alaska 1980); *Coleman v. State*, 621 P.2d 869 (Alaska 1980), cert. denied, 454 U.S. 1090, 102 S. Ct. 653, 70 L. Ed. 2d 628 (1981); *Shearer v. State*, 619 P.2d 726 (Alaska 1980); *Nelson v. State*, 619 P.2d 480 (Alaska Ct. App. 1980); *Bryant v. State*, 623 P.2d 310 (Alaska 1981); *Hoover v. State*, 641 P.2d 1263 (Alaska Ct. App. 1982); *Davidson v. State*, 642 P.2d 1383 (Alaska Ct. App. 1982); *Parker v. State*, 714 P.2d 802 (Alaska Ct. App. 1986); *State v. Price*, 740 P.2d 476 (Alaska Ct. App. 1987); *State v. Cupjohn*, 779 P.2d 1255 (Alaska Ct. App. 1989); *State v. Clurk*, 782 P.2d 308 (Alaska Ct. App. 1989).

Sentence too lenient. — See *State v. Chaney*, 477 P.2d 441 (Alaska 1970); *State v. Wortham*, 537 P.2d 1117 (Alaska 1975); *State v. Lancaster*, 550 P.2d 1257 (Alaska 1976); *State v. Abraham*, 566 P.2d 267 (Alaska 1977); *State v. Wassilie*, 578 P.2d 971 (Alaska 1978); *Putnam v. State*, 629 P.2d 35 (Alaska 1980); *State v. Brinkley*, 681 P.2d 351 (Alaska Ct. App. 1984); *Cleary v. State*, 548 P.2d 952 (Alaska 1976); *Salazar v. State*, 562 P.2d 694 (Alaska 1977); *Cleary v. State*, 564 P.2d 374 (Alaska 1977); *Amidon v. State*, 565 P.2d 1248 (Alaska 1977); *Black v. State*, 569 P.2d 804 (Alaska

1977); *Sumabat v. State*, 580 P.2d 323 (Alaska 1978); *Hansen v. State*, 582 P.2d 1041 (Alaska 1978); *Kanipe v. State*, 620 P.2d 678 (Alaska 1980); *Hintz v. State*, 627 P.2d 207 (Alaska 1981); *State v. Hooper*, 750 P.2d 840 (Alaska Ct. App. 1988).

Inclusion of improper reference to unverified police contacts did not require remand for resentencing before different judge. — See *Parks v. State*, 571 P.2d 1003 (Alaska 1977).

Reference to unverified police contacts in a presentence report does not require a remand for resentencing where the record indicates that the sentencing judge was not unduly or improperly influenced by reference to the unverified police contacts. *Pascoe v. State*, 628 P.2d 547 (Alaska 1980).

Case remanded for resentencing. — See *Neal v. State*, 628 P.2d 19 (Alaska 1981).

Case remanded for sentence review. — Although a sentence of 15 years' imprisonment with eligibility for parole at the discretion of the parole board upon conviction of manslaughter was not excessive, since the trial court had sentenced defendant as if his conviction had been obtained within one year of the crime and therefore substantially ignored his subsequent history of steady employment, his meritorious service in the army, and his lack of involvement in any criminal activity other than a few traffic offenses in the 12 years since the commission of the crime, the case was remanded for the purpose of permitting the trial court to review the sentence it imposed, in light of all available information concerning defendant without excluding the time period commencing one year from the time of the killing until the present. *Padie v. State*, 594 P.2d 60 (Alaska 1979).

Sec. 12.55.125. Sentences of imprisonment for felonies. (a) A defendant convicted of murder in the first degree shall be sentenced to a definite term of imprisonment of at least 20 years but not more than 99 years. A defendant convicted of murder in the first degree shall be sentenced to a mandatory term of imprisonment of 99 years when

(1) the defendant is convicted of the murder of a uniformed or otherwise clearly identified peace officer, fire fighter, or correctional employee who was engaged in the performance of official duties at the time of the murder;

(2) the defendant has been previously convicted of

(A) murder in the first degree under AS 11.41.100 or former AS 11.15.010 or 11.15.020;

(B) murder in the second degree under AS 11.41.110 or former AS 11.15.030; or

(C) homicide under the laws of another jurisdiction when the offense of which the defendant was convicted contains elements similar to first degree murder under AS 11.41.100 or second degree murder under AS 11.41.110;

(3) the court finds by clear and convincing evidence that the defendant subjected the murder victim to substantial physical torture; or

(4) the defendant is convicted of the murder of and personally caused the death of a person, other than a participant, during a robbery.

(b) A defendant convicted of attempted murder in the first degree, solicitation to commit murder in the first degree, conspiracy to commit murder in the first degree, kidnapping, or misconduct involving a controlled substance in the first degree shall be sentenced to a definite term of imprisonment of at least five years but not more than 99 years. A defendant convicted of murder in the second degree shall be sentenced to a definite term of imprisonment of at least 10 years but not more than 99 years. A defendant convicted of murder in the second degree shall be sentenced to a definite term of imprisonment of at least 20 years but not more than 99 years when the defendant is convicted of the murder of a child under 16 years of age and the court finds by clear and convincing evidence that the defendant (1) was a natural parent, a stepparent, an

adopted parent, a legal to the child; or (2) caused under AS 11.41.200 — authority" have the m

(c) Except as provided may be sentenced to a be sentenced to the following 12.55.155 — 12.55.175

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(A) other than for dangerous instrument offense, or knowingly otherwise clearly identified medical technician, paid was engaged in the pe

(B) for manslaughter directed towards a child

(C) for manslaughter while under the influence seven years;

(3) if the offense is

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adopted parent, a legal guardian, or a person occupying a position of authority in relation to the child; or (2) caused the death of the child by committing a crime against a person under AS 11.41.200 — 11.41.530. In this subsection, "legal guardian" and "position of authority" have the meanings given in AS 11.41.470.

(c) Except as provided in (i) of this section, a defendant convicted of a class A felony may be sentenced to a definite term of imprisonment of not more than 20 years, and shall be sentenced to the following presumptive terms, subject to adjustment as provided in AS 12.55.155 — 12.55.175:

(1) if the offense is a first felony conviction and does not involve circumstances described in (2) of this subsection, five years;

(2) if the offense is a first felony conviction

(A) other than for manslaughter and the defendant possessed a firearm, used a dangerous instrument, or caused serious physical injury during the commission of the offense, or knowingly directed the conduct constituting the offense at a uniformed or otherwise clearly identified peace officer, fire fighter, correctional employee, emergency medical technician, paramedic, ambulance attendant, or other emergency responder who was engaged in the performance of official duties at the time of the offense, seven years;

(B) for manslaughter and the conduct resulting in the conviction was knowingly directed towards a child under the age of 16, seven years;

(C) for manslaughter and the conduct resulting in the conviction involved driving while under the influence of an alcoholic beverage, inhalant, or controlled substance, seven years;

(3) if the offense is a second felony conviction, 10 years;

(4) if the offense is a third felony conviction and the defendant is not subject to sentencing under (l) of this section, 15 years.

(d) Except as provided in (i) of this section, a defendant convicted of a class B felony may be sentenced to a definite term of imprisonment of not more than 10 years, and shall be sentenced to the following presumptive terms, subject to adjustment as provided in AS 12.55.155 — 12.55.175:

(1) if the offense is a second felony conviction, four years;

(2) if the offense is a third felony conviction, six years.

(e) Except as provided in (i) of this section, a defendant convicted of a class C felony may be sentenced to a definite term of imprisonment of not more than five years, and shall be sentenced to the following presumptive terms, subject to adjustment as provided in AS 12.55.155 — 12.55.175:

(1) if the offense is a second felony conviction, two years;

(2) if the offense is a third felony conviction, three years;

(3) if the offense is a first felony conviction, and the defendant violated AS 08.54.720(a)(15), one year.

(f) If a defendant is sentenced under (a) or (b) of this section,

(1) imprisonment for the prescribed minimum or mandatory term may not be suspended under AS 12.55.080;

(2) imposition of sentence may not be suspended under AS 12.55.085;

(3) imprisonment for the prescribed minimum or mandatory term may not be reduced, except as provided in (j) of this section.

(g) If a defendant is sentenced under (c), (d)(1), (d)(2), (e)(1), (e)(2), (e)(3), or (f) of this section, except to the extent permitted under AS 12.55.155 — 12.55.175,

(1) imprisonment may not be suspended under AS 12.55.080;

(2) imposition of sentence may not be suspended under AS 12.55.085;

(3) terms of imprisonment may not be otherwise reduced.

(h) Nothing in this section or AS 12.55.135 limits the discretion of the sentencing judge except as specifically provided. Nothing in (a) of this section limits the court's discretion to impose a sentence of 99 years imprisonment, or to limit parole eligibility, for a person

convicted of murder in the first or second degree in circumstances other than those enumerated in (a).

(i) A defendant convicted of

(1) sexual assault in the first degree or sexual abuse of a minor in the first degree may be sentenced to a definite term of imprisonment of not more than 40 years and shall be sentenced to the following presumptive terms, subject to adjustment as provided in AS 12.55.155 — 12.55.175:

(A) if the offense is a first felony conviction and does not involve circumstances described in (B) of this paragraph, eight years;

(B) if the offense is a first felony conviction and the defendant possessed a firearm, used a dangerous instrument, or caused serious physical injury during the commission of the offense, 10 years;

(C) if the offense is a second felony conviction and does not involve circumstances described in (D) of this paragraph, 15 years;

(D) if the offense is a second felony conviction and the defendant has a prior conviction for a sexual felony, 20 years;

(E) if the offense is a third felony conviction and the defendant is not subject to sentencing under (F) of this paragraph or (l) of this section, 25 years;

(F) if the offense is a third felony conviction, the defendant is not subject to sentencing under (l) of this section, and the defendant has two prior convictions for sexual felonies, 30 years;

(2) attempt, conspiracy, or solicitation to commit sexual assault in the first degree or sexual abuse of a minor in the first degree may be sentenced to a definite term of imprisonment of not more than 30 years and shall be sentenced to the following presumptive terms, subject to adjustment as provided in AS 12.55.155 — 12.55.175:

(A) if the offense is a first felony conviction and does not involve circumstances described in (B) of this paragraph, five years;

(B) if the offense is a first felony conviction, and the defendant possessed a firearm, used a dangerous instrument, or caused serious physical injury during the commission of the offense, 10 years;

(C) if the offense is a second felony conviction and does not involve circumstances described in (D) of this paragraph, 10 years;

(D) if the offense is a second felony conviction and the defendant has a prior conviction for a sexual felony, 15 years;

(E) if the offense is a third felony conviction, does not involve circumstances described in (F) of this paragraph, and the defendant is not subject to sentencing under (l) of this section, 15 years;

(F) if the offense is a third felony conviction, the defendant is not subject to sentencing under (l) of this section, and the defendant has two prior convictions for sexual felonies, 20 years;

(3) sexual assault in the second degree, sexual abuse of a minor in the second degree, unlawful exploitation of a minor, or distribution of child pornography may be sentenced to a definite term of imprisonment of not more than 20 years and shall be sentenced to the following presumptive terms, subject to adjustment as provided in AS 12.55.155 — 12.55.175:

(A) if the offense is a second felony conviction and does not involve circumstances described in (B) of this paragraph, five years;

(B) if the offense is a second felony conviction and the defendant has a prior conviction for a sexual felony, 10 years;

(C) if the offense is a third felony conviction, does not involve circumstances described in (D) of this paragraph, 10 years;

(D) if the offense is a third felony conviction, and the defendant has two prior convictions for sexual felonies, 15 years;

(4) sexual assault or possession of child pornography or sexual assault in the second degree or exploitation of a minor may be sentenced to a definite term of imprisonment of not more than 20 years and shall be sentenced to the following presumptive terms, subject to adjustment as provided in AS 12.55.175:

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(j) A defendant sent

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(4) sexual assault in the third degree, incest, indecent exposure in the first degree, possession of child pornography, or attempt, conspiracy, or solicitation to commit sexual assault in the second degree, sexual abuse of a minor in the second degree, unlawful exploitation of a minor, or distribution of child pornography, may be sentenced to a definite term of imprisonment of not more than 10 years and shall be sentenced to the following presumptive terms, subject to adjustment as provided in AS 12.55.155 — 12.55.175:

(A) if the offense is a second felony conviction and does not involve circumstances described in (B) of this paragraph, two years;

(B) if the offense is a second felony conviction and the defendant has a prior conviction for a sexual felony, three years;

(C) if the offense is a third felony conviction and does not involve circumstances described in (D) of this paragraph, three years;

(D) if the offense is a third felony conviction and the defendant has two prior convictions for sexual felonies, six years.

(j) A defendant sentenced to a (1) mandatory term of imprisonment of 99 years under (a) of this section may apply once for a modification or reduction of sentence under the Alaska Rules of Criminal Procedure after serving one-half of the mandatory term without consideration of good time earned under AS 33.20.010, or (2) definite term of imprisonment under (l) of this section may apply once for a modification or reduction of sentence under the Alaska Rules of Criminal Procedure after serving the greater of (A) one-half of the definite term or (B) 30 years. A defendant may not file and a court may not entertain more than one motion for modification or reduction of a sentence subject to this subsection, regardless of whether or not the court granted or denied a previous motion.

(k) A first felony offender convicted of an offense for which a presumptive term of imprisonment is not specified under this section

(1) may be sentenced to a term of unsuspended imprisonment that exceeds the presumptive term for a second or third felony offender convicted of the same crime if the offender is convicted of criminally negligent homicide and the victim is a child under the age of 16;

(2) except as provided in (1) of this subsection, may not be sentenced to a term of unsuspended imprisonment that exceeds the presumptive term for a second felony offender convicted of the same crime unless the court finds by clear and convincing evidence that an aggravating factor under AS 12.55.155(c) is present, or that circumstances exist that would warrant a referral to the three-judge panel under AS 12.55.165.

(l) Notwithstanding any other provision of law, a defendant convicted of an unclassified or class A felony offense, and not subject to a mandatory 99-year sentence under (a) of this section, shall be sentenced to a definite term of imprisonment of at least 40 years but not more than 99 years when the defendant has been previously convicted of two or more most serious felonies and the prosecuting attorney has filed a notice of intent to seek a definite sentence under this subsection at the time the defendant was arraigned in superior court. If a defendant is sentenced to a definite term under this subsection,

(1) imprisonment for the prescribed definite term may not be suspended under AS 12.55.080;

(2) imposition of sentence may not be suspended under AS 12.55.085;

(3) imprisonment for the prescribed definite term may not be reduced, except as provided in (j) of this section.

(m) Notwithstanding (a)(4) and (l) of this section, if a court finds that imposition of a mandatory term of imprisonment of 99 years on a defendant subject to sentencing under (a)(4) of this section would be manifestly unjust, the court may sentence the defendant to a definite term of imprisonment otherwise permissible under (a) of this section. (5 12 ch 166 SLA 1978; am § 18 ch 45 SLA 1982; am §§ 28 — 30 ch 143 SLA 1982; am § 8 ch 78

SLA 1983; am §§ 1 — 3 ch 92 SLA 1983; am § 5 ch 59 SLA 1988; am § 4 ch 37 SLA 1989; am §§ 23 — 25 ch 79 SLA 1992; am § 5 ch 3 SLA 1994; am §§ 1, 2, 6 ch 6 SLA 1996; am §§ 3 — 7 ch 7 SLA 1996; am § 8 ch 30 SLA 1996; am § 4 ch 33 SLA 1996; am §§ 9 — 11 ch 54 SLA 1999; am § 1 ch 65 SLA 1999; am §§ 1, 2 ch 49 SLA 2000; am § 4 ch 60 SLA 2002; am §§ 1 — 5 ch 90 SLA 2003; am § 5 ch 99 SLA 2004)

Cross references. — For classification of felonies and misdemeanors, see AS 11.81.250; for authorized fines, see AS 12.55.035; for reduction of sentence for good behavior, see AS 33.20.010; for effect of the enactment of (j) of this section on Alaska Rule of Criminal Procedure 35, see § 34, ch. 79, SLA 1992 in the Temporary and Special Acts; for findings related to the addition of subsection (l), see § 1, ch. 7, SLA 1996 in the Temporary and Special Acts; for the effect of amendments to (j) of this section made by ch. 7, SLA 1996 on Alaska Rule of Criminal Procedure 35, see § 20, ch. 7, SLA 1996 in the Temporary and Special Acts. For applicability provisions relating to the 1999 amendment of subsection (b) by § 9, ch. 54, SLA 1999, and relating to the 1999 amendment of subsections (c) and (k), see § 16, ch. 54, SLA 1999 in the 1999 Temporary & Special Acts. For applicability provisions relating to the 1999 amendment of subsection (b) by § 1, ch. 65, SLA 1999, see § 2, ch. 64, SLA 1999 in the 1999 Temporary & Special Acts. For applicability provisions relating to the 2000 amendment of subsection (n) by sec. 1, ch. 49, SLA 2000, and the addition of subsection (m) by sec. 2, ch. 49, SLA 2000, see sec. 3, ch. 49, SLA 2000 in the 2000 Temporary & Special Acts.

Effect of amendments. — The 1992 amendment, effective September 14, 1992, in subsection (a), added the second sentence and paragraphs (1) to (3); added the second sentence in subsection (b); and added subsections (j) and (k).

The 1994 amendment, effective May 30, 1994, inserted "conspiracy to commit murder in the first degree," in subsection (b).

The first 1996 amendment, effective June 27, 1996, substituted "correctional employee" for "correctional officer" in paragraphs (a)(1) and (c)(2) and repealed paragraphs (d)(3) and (e)(3).

The second 1996 amendment, effective June 27, 1996, in paragraphs (c)(4) and (k)(2), inserted "and the defendant is not subject to sentencing under (l) of this section"; in subsection (f), inserted "or mandatory" in paragraphs (1) and (2), and in paragraph (3), deleted "otherwise" preceding "reduced" and added ", except as provided in (j) of this section"; in (j), inserted "(1), "once," and all of the language following "AS 33.20.010"; and added subsection (l).

The third 1996 amendment, effective May 16, 1996, inserted a section reference in subsection (g).

The fourth 1996 amendment, effective May 23, 1996, made a section reference substitution in paragraph (e)(4).

The first 1999 amendment, effective June 5, 1999, in subsection (b), inserted "solicitation to commit murder in the first degree" in the first sentence and added the third and fourth sentences, and added subparagraph (c)(2)(B), the subparagraph (c)(2)(A) designation, paragraph (k)(1), the paragraph (k)(2) designation, and "except as provided in (l) of this subsection" at the beginning of paragraph (k)(2).

The second 1999 amendment, effective September 20, 1999, in subsection (b) deleted "murder in the second degree," following "convicted of" in the first sentence and added the second sentence.

The 2000 amendment, effective August 9, 2000, added paragraph (a)(4) and made related stylistic changes, and added subsection (m).

The 2002 amendment, effective July 1, 2002, added subparagraph (c)(2)(C).

The 2003 amendment, effective September 11, 2003, added "Except as provided in (i) of this section" at the beginning of subsections (c)-(e); substituted "(e)(3)" for "(e)(4)" in subsection (g); rewrote subsection (i); and made stylistic changes.

The 2004 amendment, effective July 23, 2004, substituted "subsection" for "section" at the end of the introductory language of subsection (l).

Editor's notes. — Section 7, ch. 6, SLA 1996 provides that the repeal of (d)(3) and (e)(3) and the amendments to (a) and (c) of this section made by ch. 6, SLA 1996 apply "to all offenses committed on or after June 27, 1996." Section 19, ch. 7, SLA 1996 provides that references to prior or previous convictions in ch. 7, SLA 1996, which amended subsections (c), (f), (i), and (j) and added subsection (l), "apply to all convictions occurring before, on, or after June 27, 1996."

Subsection (b) was amended by § 9, ch. 54, SLA 1999, with an effective date of June 5, 1999, and was further amended by § 1, ch. 65, SLA 1999, with a later effective date of September 20, 1999. Thus, on and after June 5 and before September 20, 1999, subsection (b) read as follows: "A defendant convicted of murder in the second degree, attempted murder in the first degree, solicitation to commit murder in the first degree, conspiracy to commit murder in the first degree, kidnapping, or misconduct involving a controlled substance in the first degree shall be sentenced to a definite term of imprisonment of at least five years but not more than 99 years. A defendant convicted of murder in the second degree shall be sentenced to a definite term of imprisonment of at least 20 years but not more than 99 years when the defendant is convicted of the murder of a child under 16 years of age and the court finds by clear and convincing evidence that the defendant (1) was a natural parent, a stepparent, an adopted parent, a legal guardian, or a person occupying a position of authority in relation to the child; or (2) caused the death of the child by committing a crime against a person under AS 11.41.200 — 11.41.530. In this subsection, "legal guardian" and "position of authority" have the meanings given in AS 11.41.470."

Section 12(a), ch. 90, SLA 2003 provides that the provisions of §§ 1 — 5, ch. 90, SLA 2003 amending this section apply "to sentencing for offenses committed on or after September 11, 2003," and that "[a]ll references to prior or previous convictions in [that section] apply to convictions occurring before, on, or after September 1, 2003."

- I. General Consideration.
- II. Sentencing.
 - A. In General.
 - B. Specific Crimes.
- III. Presumptive Sentencing
 - A. In General.
 - B. First Offenders.

I. GENERAL CON

Constitutionality of 1982 ter 143, SLA 1982, which a: not violate the Alaska Const § 14. *Galbraith v. State*, 693 1985).

- Applied in Faulkenberry** (Alaska Ct. App. 1982); *State* (Alaska Ct. App. 1982); *Qual* (Alaska Ct. App. 1982); *Willia* (Alaska Ct. App. 1982); *Conn* (Alaska Ct. App. 1982); *Seu* (Alaska Ct. App. 1982); *Hartl* (Alaska Ct. App. 1982); *Griffi* (Alaska Ct. App. 1982); *Nix* (Alaska Ct. App. 1982); *Dun* (Alaska Ct. App. 1982); *Stat* 1060 (Alaska Ct. App. 1982); 1186 (Alaska Ct. App. 1982); 1199 (Alaska Ct. App. 1982); 1324 (Alaska Ct. App. 1983) P2d 621 (Alaska Ct. App. 19 P2d 184 (Alaska 1983); *Con* 654 (Alaska Ct. App. 1984); 662 (Alaska Ct. App. 1984); 912 (Alaska Ct. App. 1984); 415 (Alaska Ct. App. 1984); P2d 1093 (Alaska Ct. App. 1 P2d 737 (Alaska Ct. App. 19 P2d 1061 (Alaska Ct. App. 1 693 P2d 887 (Alaska Ct. App. 698 P2d 1230 (Alaska Ct. A) 702 P2d 651 (Alaska Ct. App. 730 P2d 161 (Alaska Ct. App. P2d 695 (Alaska Ct. App. 198 P2d 1164 (Alaska Ct. App. 1 P2d 1198 (Alaska Ct. App. 1 P2d 715 (Alaska Ct. App. 739 P2d 769 (Alaska Ct. Ap 759 P2d 541 (Alaska Ct. App. 771 P2d 448 (Alaska Ct. App. 770 P2d 296 (Alaska Ct. App. P2d 599 (Alaska Ct. App. 198 P2d 377 (Alaska Ct. App. 19 P2d 1258 (Alaska Ct. App. 15 P2d 33 (Alaska Ct. App. 1990 P2d 677 (Alaska Ct. App. 15 807 P2d 506 (Alaska Ct. App. 808 P2d 280 (Alaska Ct. App. 826 P2d 775 (Alaska Ct. App. 829 P2d 1191 (Alaska Ct. App. 837 P2d 130 (Alaska Ct. App. P2d 1244 (Alaska Ct. App. 19 P2d 1347 (Alaska Ct. App. 19 P2d 298 (Alaska Ct. App. 199 P2d 1319 (Alaska Ct. App. 196 P2d 517 (Alaska Ct. App. 199 P2d 1335 (Alaska Ct. App. 196 P2d 1208 (Alaska Ct. App. 19

HOUSE FINANCE COMMITTEE

March 1, 2006 - Wednesday

HB 338-CERTIF. OF FITNESS FOR EXPLOSIVE HANDLERS

Previously published notes: #1 Labor, #2 DPS

Lalanya Snyder, Staff to Rep. Mike Chenault

Grey Mitchell, Director, Division of Labor Standards and Safety, DOL

Technical Questions via Teleconference:

Cliff Husted, Chief Consultation and Training, Labor Standards and Safety,

HB 12-TVS AND MONITORS IN MOTOR VEHICLES

4 new zero fiscal notes: 2 for DPS, DOA, and Law

Need to adopt CS 24-LS0058N

Amendment 1 – Kerttula N.1

Rep. Gruenberg

Rep. Stoltze will introduce CS

Questions:

Anne Carpenet, Assistant Attorney General, Legal Services Section-
Juneau, Criminal Division, Department of Law

March 1-2020

②

HB 408
Child Abuse

CS HB 408 (HES)
Governor

24-642021)G

~~Ø~~

Ø #1 HSS

SKNH

①

HB 338
Fitness of explosive
handlers

CS HB 338 (L+C)
Chenault, Lynn

24-LS1380\F

PO "do pass"

Ø #2 DPS

Ø #1 ~~WF~~ LWF

②

HB 12
TV Monitors
in Motor Vehicles

New CS HB 12 ()

24-LS0058)N

#Greenberg, Lynn, Gardner, McGuire, Raras, Gau, Elkins

Amend. 1-Kerttula
N.1.

ADM Ø #1 Ø

LAW #2 Ø

DPS #3 Ø

DPS #4 Ø

New

New adm. Ø 43 2-8

LAW Ø 2-6

DPS Ø 2325 2-7

DPS Ø 1190 replaces 4
2-21

RD "no recommendation"

Committee Action on Legislation

COMMITTEE House Finance
N. Thomas SECRETARY

DATE: 3-1-06
PAGE 1 OF 1

SHORT TITLE

HB 408

ACTION TAKEN ON LEGISLATION

- Moved Out of Cmte
- Moved CS (___)Out of Cmte
- Moved HCS (___)Out of Cmte
- Heard and Held
- Heard and Held; Assigned to Subcmte
- Scheduled but not Heard
- Failed to Move Out of Committee
- Waived Out of Committee

SHORT TITLE

HB 338

ACTION TAKEN ON LEGISLATION

- Moved Out of Cmte
- Moved CS (L+C)Out of Cmte
- Moved HCS (___)Out of Cmte
- Heard and Held
- Heard and Held; Assigned to Subcmte
- Scheduled but not Heard
- Failed to Move Out of Committee
- Waived Out of Committee

SHORT TITLE

HB 12

ACTION TAKEN ON LEGISLATION

- Moved Out of Cmte
- Moved CS (FIN)Out of Cmte
- Moved HCS (___)Out of Cmte
- Heard and Held
- Heard and Held; Assigned to Subcmte
- Scheduled but not Heard
- Failed to Move Out of Committee
- Waived Out of Committee

*adopted 3-1-06
vote 6-4*

24-LS0058VN
Luckhaupt
2/27/06

CS FOR HOUSE BILL NO. 12()

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FOURTH LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): REPRESENTATIVES GRUENBERG, LYNN, GARDNER AND MCGUIRE, Ramras, Gara, Elkins

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to driver's licenses and to televisions, monitors, portable computers,
2 and similar devices in motor vehicles; and providing for an effective date."

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

4 * Section 1. AS 28.35 is amended by adding a new section to read:

5 Sec. 28.35.161. Driving a motor vehicle with a television, monitor, or
6 similar device operating; unlawful installation of television, monitor, or similar
7 device. (a) A person commits the crime of driving with a screen operating if

8 (1) the person is driving the motor vehicle;

9 (2) the vehicle has a television, video monitor, portable computer, or
10 any other similar means to create a visual display visible to the person while the
11 person is driving the motor vehicle; and

12 (3) the monitor or visual display is operating while the person is
13 driving.

14 (b) A person may not install or alter equipment described in (a)(2) of this

1 section that allows the display to be visible to the driver while the driver is driving the
2 motor vehicle.

3 (c) Subsections (a) and (b) of this section do not apply to

4 (1) portable cellular telephones; or

5 (2) equipment that displays only

6 (A) audio equipment information, functions, and controls;

7 (B) vehicle information or controls related to speed, fuel level,
8 battery charge, and other vehicle safety or equipment information;

9 (C) navigation or global positioning;

10 (D) maps; or

11 (E) visual information to enhance or supplement the driver's
12 view forward, behind, or to the sides of the motor vehicle for the purpose of
13 maneuvering the vehicle.

14 (d) Subsections (a) and (b) of this section do not apply to equipment installed
15 in an authorized emergency vehicle or to a motor vehicle providing emergency road
16 service or roadside assistance.

17 (e) It is an affirmative defense to a prosecution under (b) of this section that
18 the equipment installed or altered also includes a device that, when the motor vehicle
19 is being driven, disables the equipment for all uses except those described in (c) of this
20 section.

21 (f) A person who violates (a) of this section is guilty of

22 (1) a class A misdemeanor, unless any of the circumstances described
23 in (2) - (4) of this subsection apply;

24 (2) a class C felony if the person's driving causes physical injury to
25 another person;

26 (3) a class B felony if the person's driving causes serious physical
27 injury to another person;

28 (4) a class A felony if the person's driving causes the death of another
29 person.

30 (g) A person who violates (b) of this section is guilty of a class A
31 misdemeanor.

1 * Sec. 2. The uncodified law of the State of Alaska is amended by adding a new section to
2 read:

3 DIRECTION TO DIVISION OF MOTOR VEHICLES. The division of motor
4 vehicles shall supply to each person issued a new, duplicate, or temporary driver's license
5 information about the requirements and restrictions being added by sec. 1 of this Act. This
6 requirement shall continue until the information is included in the driver's manual that is
7 published from time to time by division of motor vehicles.

8 * Sec. 3. This Act takes effect September 1, 2006.

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: 4
 Bill Version: CSHB 12(STA)
 (H) Publish Date: 3/18/05

Revision Date/Time (Note if correction): _____ Dept. Affected: Public Safety
 Title: Televisions and monitors in motor vehicles RDU: Alaska State Troopers
 Component: AST Detachments
 Sponsor: Representative Gruenberg
 Requester: House State Affairs Component No.: 2325

Expenditures/Revenues (Thousands of Dollars)

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

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

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

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

FUND SOURCE (Thousands of Dollars)

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

Estimate of any current year (FY2005) cost: 00

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

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Passage of this bill will have no fiscal impact on the Department of Public Safety.

This bill will prohibit the driver of a motor vehicle from watching a television receiver, video monitor, TV video screen, or similar device for viewing television or video signals while operating the motor vehicle. It also prohibits the installation of these devices so that they can be viewed by the driver of a motor vehicle while the vehicle is in motion. The bill does allow the following equipment; a vehicle information display; a GPS display; a mapping display; and a display used to enhance a drivers view forward, behind, or to the sides of the vehicle.

Prepared by: Lieutenant Todd Sharp Phone: 907-465-5223
 Division: Alaska State Troopers Date/Time: 2/28/05 1:26 PM
 Approved by: Commissioner William Tandeske Date: 2/28/2005
 Agency: Department of Public Safety

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: 2
Bill Version: CSHB 12(STA)
(H) Publish Date: 3/18/05

Revision Date/Time (Note if correction): _____ Dept. Affected: LAW
Title "An Act relating to televisions and monitors RDU CRIMINAL
in motor vehicles. Component Criminal Justice Litigation
Sponsor Representative Gruenberg
Requester House State Affairs Component No. _____

Expenditures/Revenues (Thousands of Dollars)

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

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

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

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

FUND SOURCE (Thousands of Dollars)

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

Estimate of any current year (FY2005) cost: 0.0

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

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill amends AS 28.35 prohibiting watching a television receiver, a video monitor or the like while driving a motor vehicle. The bill similarly prohibits the installation of televisions or monitors or the like in such a way that they can be viewed by the driver of the vehicle unless there is a locking device that blocks power to the the unit while the motor vehicle is in motion. The bill excepts vehicle information display, GPS, mapping display, or equipment intended to enhance the driver's view forward, behind or to either side of the motor vehicle. The bill does not apply to emergency vehicles.

The Department of Law does not anticipate that there will be many new prosecutions arising out of passage of this legislation, and thus does not anticipate a fiscal impact.

Prepared by: Kathryn Daughhette, Director Phone 465-3673
Division Administrative Services Division Date/Time 2/28/05 2:57 PM
Approved by: K. Daughhette for Scott Nordstrand, Acting Attorney General Date 2/28/2005
Agency Department of Law

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: CSHB 12(STA)
(H) Publish Date: 3/18/05

Revision Date/Time (Note if correction): _____ Dept. Affected: Administration
Title: An Act relating to televisions RDU: Legal and Advocacy Services
and monitors in vehicles Component: Public Defender Agency
Sponsor: Reps. Gruenberg, Lynn, Gardner,...
Requester: House State Affairs Component No.: 1631

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0
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						
-----------------------------	--	--	--	--	--	--

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

FUND SOURCE (Thousands of Dollars)

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

Estimate of any current year (FY2005) cost: 0.0

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

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill creates a number of new offenses, including felonies, for operating a motor vehicle while watching a TV or video monitor or installing such equipment that is capable of being viewed by the driver while the vehicle is moving. Due to the indigency of public defender clients this bill, if enacted, is not expected to have a significant fiscal impact on the operations of the Agency.

Prepared by: Linda K. Wilson, Deputy Director Phone: (907)334-4416
Division: Public Defender Agency Date/Time: 3/1/05 7:26 AM
Approved by: Michael Tibbles, Deputy Commissioner Date: 3/1/2005
Agency: Department of Administration

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: 3
 Bill Version: CSHB 12(STA)
 (H) Publish Date: 3/18/05

Revision Date/Time (Note if correction): _____ Dept. Affect'd: Public Safety
 Title: "An Act relating to televisions and RDU: Statewide Support
monitors in motor vehicles" Component: Alaska Criminal Records &
 Sponsor: Representative Gruenberg Identification: _____
 Requester: House State Affairs Component No: 1190

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below

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

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

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

FUND SOURCE (Thousands of Dollars)

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

Estimate of any current year (FY2005) cost: 0.0
 Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This Act creates a new AS 28.35.16 (a) to prohibit operation of a motor vehicle while watching a television or monitor, (b) prohibits installing a television or monitor viewable by the driver without an interlock, (c) exempts vehicle information, GPS, map, or maneuvering displays and equipment with an interlock, (d) exempts emergency or assistance vehicles, (e) and (f) provide the penalties. A violation of AS 28.35.16(a) may be an A misdemeanor or an A, B, or C felony, depending on the facts.

Passage of this bill will not have a fiscal impact on the Department of Public Safety.

Prepared By: Director David Schade Phone: 260-5092
 Division: Statewide Services Date/TIME: 3/10/05 10:51 AM
 Approved By: Commissioner William Taniguchi Date: 3/10/05
 Agency: Department of Public Safety

HOUSE FINANCE COMMITTEE ROLL CALL

DATE: 3-1-96

Amendment: Amend. 1
CS HB 12 (FIN)

MEMBER

Favor

Oppose

KERTTULA	✓	
MOSES	✓	
STOLTZE		✓
WEYHRAUCH <i>present</i>		
FOSTER	✓	
HAWKER	✓	
HOLM		✓
JOULE	✓	
KELLY		✓
CHENAULT		✓
MEYER		✓

total 5 5

AMENDMENT

1 Kerttula

OFFERED IN THE HOUSE

TO: CSHB 12(), Draft Version "N"

failed
5-6-5

- 1 Page 1, line 1:
- 2 Delete "to driver's licenses and"
- 3
- 4 Page 1, line 2, following "vehicles;":
- 5 Insert "requiring that persons issued a driver's license be informed of certain
- 6 restrictions and requirements concerning televisions, monitors, portable computers, and
- 7 similar devices in motor vehicles;"

HOUSE FINANCE COMMITTEE ROLL CALL

DATE: 3-1-06

Amendment: CS HB 12

MEMBER

Favor

Oppose

KELLY	✓	
KERTTULA		✓
MOSES		✓
STOLTZE	✓	
WEYHRAUCH <i>absent</i>		
FOSTER	✓	
HAWKER		✓
HOLM	✓	
JOULE		✓
MEYER	✓	
CHENAULT	✓	

HB

13

HFIN

FILE

ASSOCIATION OF ALASKA SCHOOL BOARDS

Advocates for Alaska's Youth

Position of the Association of Alaska School Boards on CS for HB 13 (HES) Prepared for the House Finance Committee April 20, 2005

Our statewide association believes that the Alaska Legislature and the Governor must resolve the continuing need for additional school space and major school maintenance. In support of that belief, our 52 member districts met on Nov. 7, 2004, in Anchorage to adopt the following resolutions:

2.12 SCHOOL CONSTRUCTION DEBT RETIREMENT FOR BONDED INDEBTEDNESS

AASB calls upon the Legislature and the administration to fully honor all past commitments for bonded indebtedness reimbursement and to meet future school construction needs by extending and continuing to fully fund the school debt reimbursement program.

Rationale. Article 7, Sec. 1 of the Alaska State Constitution states that the Legislature shall establish and maintain a system of public schools open to all children. Under AS 14.11.100 the State of Alaska agreed to repay school districts at set percentage rates for school construction bonded indebtedness in past years. *Extending that program into the future will help meet school construction needs in areas of the state that are able to bond.* (Emphasis added)

2.8 FOLLOWING THE CAPITAL IMPROVEMENT PROJECT PRIORITY LIST FOR NON-BONDED PROJECTS

AASB strongly advises the legislature to follow the priority list for non-bonded projects as presented by the Department of Education and Early Development with no adjustments, deletions, or additions that would not otherwise be of an emergency basis.

Rationale. The Capital Improvement Projects list goes through a very comprehensive prioritization process developed and implemented, based on need, by the Department of Education and Early Development. The legislature in recent times has not followed the priority list as presented.

CS for HB 13 (HES) incorporates AASB's position that there is a continual need for additional and upgraded school facilities. In addition, AASB is resolved behind the need for a bond reimbursement extension and for the legislature to follow the capital improvement project list developed by EED.

School District	FY06	FY06	Cost	TOTAL
	Current/Proj Funding	Proposed \$4919 BSA	Differential 1st year phase in	
Alaska Gateway	4,915,667	277,023	303,552	5,496,242
Aleutian Region	1,059,727	50,933	21,455	1,132,115
Aleutians East Borough	3,501,788	310,775	446,223	4,258,786
Anchorage	223,154,797	22,812,700	-	245,967,497
Annette Island	1,398,131	195,599	217,534	1,811,264
Bering Strait	17,205,353	1,794,871	1,977,602	20,977,826
Bristol Bay Borough	1,239,140	147,548	88,682	1,475,370
Chatham	1,733,593	138,489	197,697	2,069,779
Chugach	1,905,637	72,443	27,685	2,005,765
Copper River	6,032,438	465,557	184,125	6,682,120
Cordova	3,087,845	284,299	123,276	3,495,420
Craig	3,698,050	310,841	144,052	4,152,943
Delta/Greely	8,942,900	668,294	244,036	9,855,230
Denali Borough	4,597,598	386,030	13,571	4,997,199
Dillingham	4,263,506	380,727	94,999	4,739,232
Fairbanks N. Star Borough	72,823,842	7,461,313	743,704	81,028,859
Galena	16,058,992	705,477	12,314	16,776,783
Haines Borough	1,563,785	179,358	116,120	1,859,263
Hoonah	1,535,829	132,974	143,904	1,812,707
Hydaburg	767,366	35,648	48,190	851,204
Iditarod Area	4,427,089	198,601	170,952	4,796,642
Juneau Borough	23,648,457	2,602,020	1,176,158	27,426,635
Kake	1,190,539	102,681	148,543	1,441,763
Kashunamiut	2,546,629	288,144	168,630	3,003,403
Kenai Peninsula Borough	46,190,906	4,878,826	2,739,023	53,808,755
Ketchikan Gateway Borough	11,703,837	1,203,611	704,373	13,611,821
Klawock	1,331,394	68,305	71,249	1,470,948
Kodiak Island Borough	15,580,674	1,513,673	937,304	18,031,651
Kuspuk	4,610,680	438,769	330,152	5,379,601
Lake & Peninsula Borough	5,980,874	483,157	482,939	6,946,970
Lower Kuskokwim	39,975,145	3,003,780	1,458,292	44,437,217
Lower Yukon	18,120,223	1,846,955	1,919,715	21,886,893
Mat-Su Borough	83,064,699	7,373,581	1,418,714	91,856,994
Nenana	3,922,379	298,410	30,745	4,251,534
Nome	6,359,841	537,121	190,047	7,087,009
North Slope Borough	8,451,990	1,450,198	983,644	10,885,832
Northwest Arctic Borough	22,227,553	1,914,718	1,205,177	25,347,448
Pelican	404,184	13,645	6,616	424,445
Petersburg	3,691,527	353,129	296,396	4,341,052
Pribilof	1,258,266	134,813	92,975	1,486,054
Saint Mary's	1,992,370	150,223	107,978	2,250,571
Sitka Borough	7,265,034	753,159	494,832	8,513,025
Skagway	710,547	73,635	4,837	789,019
Southeast Island	3,069,832	130,602	114,452	3,314,886
Southwest Region	6,817,409	692,980	449,825	7,960,214
Tanana	1,027,629	80,869	44,415	1,152,913
Unalaska	2,405,593	264,428	163,742	2,833,763
VakTez	3,684,508	336,061	68,369	4,088,938
Wrangell	2,276,815	214,594	121,747	2,613,156
Yakutat	991,431	87,399	97,332	1,176,162
Yukon Flats	4,617,236	239,784	227,155	5,084,175
Yukon/Koyukuk	11,059,848	920,578	329,264	12,309,690
Yupit	4,225,753	436,066	268,020	4,929,839
Mt. Edgecumbe High School	1,842,250	194,110	136,157	2,172,517
Other	26,096,100			26,096,100
Total	782,255,225	70,080,524	22,308,490	854,653,239

Prepared 4/26/05

Proposed Public School Funding

BSA \$4,576HB 1BSA \$4,813

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School District	FY06	FY06	Cost	TOTAL
	Current/Proj Funding	Proposed \$4919 BSA	Differential 1st year phase in	
Alaska Gateway	4,915,667	277,023	180,809	5,373,499
Aleutian Region	1,059,727	50,933	5,255	1,115,915
Aleutians East Borough	3,501,788	310,775	340,597	4,153,160
Anchorage	223,154,797	22,812,700	(7,049,989)	238,917,508
Annette Island	1,398,131	195,599	152,414	1,746,144
Bering Strait	17,205,353	1,794,871	1,380,442	20,380,666
Bristol Bay Borough	1,239,140	147,548	41,179	1,427,867
Chatham	1,733,593	138,489	150,652	2,022,734
Chugach	1,905,637	72,443	4,704	1,982,784
Copper River	6,032,438	465,557	36,295	6,534,290
Cordova	3,087,845	284,299	32,769	3,404,913
Craig	3,698,050	310,841	44,897	4,053,788
Delta/Greely	8,942,900	668,294	32,266	9,643,460
Denali Borough	4,597,598	386,030	(106,018)	4,877,610
Dillingham	4,263,506	380,727	(24,701)	4,619,532
Fairbanks N. Star Borough	72,823,842	7,461,313	(1,578,099)	78,707,056
Galena	16,058,992	705,477	(199,773)	16,564,696
Haines Borough	1,563,785	179,358	58,198	1,801,341
Hoonah	1,535,829	132,974	99,719	1,768,522
Hydaburg	767,366	35,648	36,140	839,154
Iditarod Area	4,427,089	198,601	105,913	4,731,603
Juneau Borough	23,648,457	2,602,020	346,772	26,597,249
Kake	1,190,539	102,681	113,620	1,406,840
Kashunamiut	2,546,629	288,144	75,960	2,910,733
Kenai Peninsula Borough	46,190,906	4,878,826	1,172,449	52,242,181
Ketchikan Gateway Borough	11,703,837	1,203,611	317,282	13,224,730
Klawock	1,331,394	68,305	43,385	1,443,084
Kodiak Island Borough	15,580,674	1,513,673	449,390	17,543,737
Kuspuk	4,610,680	438,769	187,464	5,236,913
Lake & Peninsula Borough	5,980,874	483,157	323,252	6,787,283
Lower Kuskokwim	39,975,145	3,003,780	307,980	43,286,905
Lower Yukon	18,120,223	1,846,955	1,307,702	21,274,880
Mat-Su Borough	83,064,699	7,373,581	(890,475)	89,547,805
Nenana	3,922,379	298,410	(62,135)	4,158,654
Nome	6,359,841	537,121	19,974	6,916,936
North Slope Borough	8,451,990	1,450,198	514,350	10,416,538
Northwest Arctic Borough	22,227,553	1,914,718	587,570	24,729,841
Pelican	404,184	13,645	2,258	420,087
Petersburg	3,691,527	353,129	180,900	4,225,556
Pribilof	1,258,266	134,813	49,315	1,442,394
Saint Mary's	1,992,370	150,223	59,234	2,201,827
Sitka Borough	7,265,034	753,159	251,449	8,269,642
Skagway	710,547	73,635	(10,591)	773,591
Southeast Island	3,069,832	130,602	72,266	3,272,700
Southwest Region	6,817,409	692,980	226,006	7,736,395
Tanana	1,027,629	80,869	18,469	1,126,967
Unalaska	2,405,593	264,428	70,327	2,740,348
Vaklez	3,684,508	336,061	(21,566)	3,999,003
Wrangell	2,276,815	214,594	52,814	2,544,223
Yakutat	991,431	87,399	79,764	1,158,594
Yukon Flats	4,617,236	239,784	148,184	5,005,204
Yukon/Koyukuk	11,059,848	920,578	37,698	12,018,124
Yupit	4,225,753	436,066	127,502	4,789,321
Mt. Edgecumbe High School	1,842,250	194,110	73,245	2,109,605
Other	26,096,100			26,096,100
Total	762,255,225	70,089,524	(24,517)	832,320,232

Representative Max Gruenberg

Representative Carl Gatto

Sponsor Statement and Bill Analysis

**HB 13 – Reimbursement of Municipal Bonds for School
Construction**

This bill extends until July 1, 2006 the statutory date for municipalities to receive reimbursement from the state for school construction and renovation bonds. The previous law expired January 1, 2005.

The two changes to the existing statute are on the last page of the bill.

*R.O. 4-27-05
as amended*

*N/O
adopted 4/26/05*

24-LS0062X
Mischel
4/26/05

CS FOR HOUSE BILL NO. 13()

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): REPRESENTATIVES GATTO AND GRUENBERG, Thomas, Gara, Gardner, Lynn, Neuman, Kohring

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to reimbursement of municipal bonds for school construction; relating
2 to school funding and adjusting the district cost factors; and providing for an effective
3 date."

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

5 * Section 1. AS 14.11.100(a) is amended to read:

6 (a) During each fiscal year, the state shall allocate to a municipality that is a
7 school district the following sums:

8 (1) payments made by the municipality during the fiscal year two years
9 earlier for the retirement of principal and interest on outstanding bonds, notes, or other
10 indebtedness incurred before July 1, 1977, to pay costs of school construction;

11 (2) 90 percent of

12 (A) payments made by the municipality during the fiscal year
13 two years earlier for the retirement of principal and interest on outstanding
14 bonds, notes, or other indebtedness incurred after June 30, 1977, and before
15 July 1, 1978, to pay costs of school construction;

1 (B) cash payments made after June 30, 1976, and before July 1,
2 1978, by the municipality during the fiscal year two years earlier to pay costs
3 of school construction;

4 (3) 90 percent of

5 (A) payments made by the municipality during the fiscal year
6 two years earlier for the retirement of principal and interest on outstanding
7 bonds, notes, or other indebtedness incurred after June 30, 1978, and before
8 January 1, 1982, to pay costs of school construction projects approved under
9 AS 14.07.020(a)(11);

10 (B) cash payments made after June 30, 1978, and before July 1,
11 1982, by the municipality during the fiscal year two years earlier to pay costs
12 of school construction projects approved under AS 14.07.020(a)(11);

13 (4) subject to (h) and (i) of this section, up to 90 percent of

14 (A) payments made by the municipality during the current
15 fiscal year for the retirement of principal and interest on outstanding bonds,
16 notes, or other indebtedness incurred after December 31, 1981, and authorized
17 by the qualified voters of the municipality before July 1, 1983, to pay costs of
18 school construction, additions to schools, and major rehabilitation projects that
19 exceed \$25,000 and are approved under AS 14.07.020(a)(11);

20 (B) cash payments made after June 30, 1982, and before July 1,
21 1983, by the municipality during the fiscal year two years earlier to pay costs
22 of school construction, additions to schools, and major rehabilitation projects
23 that exceed \$25,000 and are approved under AS 14.07.020(a)(11); and

24 (C) payments made by the municipality during the current
25 fiscal year for the retirement of principal and interest on outstanding bonds,
26 notes, or other indebtedness to pay costs of school construction, additions to
27 schools, and major rehabilitation projects that exceed \$25,000 and are
28 submitted to the department for approval under AS 14.07.020(a)(11) before
29 July 1, 1983, and approved by the qualified voters of the municipality before
30 October 15, 1983, not to exceed a total project cost of (i) \$6,600,000 if the
31 annual growth rate of average daily membership of the municipality is more

1 than seven percent but less than 12 percent, or (ii) \$20,000,000 if the annual
2 growth rate of average daily membership of the municipality is 12 percent or
3 more; payments made by a municipality under this subparagraph on total
4 project costs that exceed the amounts set out in (i) and (ii) of this subparagraph
5 are subject to (5)(A) of this subsection;

6 (5) subject to (h) - (j) of this section, 80 percent of

7 (A) payments made by the municipality during the fiscal year
8 for the retirement of principal and interest on outstanding bonds, notes, or
9 other indebtedness authorized by the qualified voters of the municipality

10 (i) after June 30, 1983, but before March 31, 1990, to
11 pay costs of school construction, additions to schools, and major
12 rehabilitation projects that exceed \$25,000 and are approved under
13 AS 14.07.020(a)(11); or

14 (ii) before July 1, 1989, and reauthorized before
15 November 1, 1989, to pay costs of school construction, additions to
16 schools, and major rehabilitation projects that exceed \$25,000 and are
17 approved under AS 14.07.020(a)(11); and

18 (B) cash payments made after June 30, 1983, by the
19 municipality during the fiscal year two years earlier to pay costs of school
20 construction, additions to schools, and major rehabilitation projects that exceed
21 \$25,000 and are approved by the department before July 1, 1990, under
22 AS 14.07.020(a)(11);

23 (6) subject to (h) - (j) and (m) of this section, 70 percent of payments
24 made by the municipality during the fiscal year for the retirement of principal and
25 interest on outstanding bonds, notes, or other indebtedness authorized by the qualified
26 voters of the municipality on or after April 30, 1993, but before July 1, 1996, to pay
27 costs of school construction, additions to schools, and major rehabilitation projects
28 that exceed \$200,000 and are approved under AS 14.07.020(a)(11);

29 (7) subject to (h) - (j) and (m) of this section, 70 percent of payments
30 made by the municipality during the fiscal year for the retirement of principal and
31 interest on outstanding bonds, notes, or other indebtedness authorized by the qualified

1 voters of the municipality after March 31, 1990, but before April 30, 1993, to pay
2 costs of school construction, additions to schools, and major rehabilitation projects;

3 (8) subject to (h), (i), (j)(2) - (5), and (n) of this section and after
4 projects funded by the bonds, notes, or other indebtedness have been approved by the
5 commissioner, 70 percent of payments made by the municipality during the fiscal year
6 for the retirement of principal and interest on outstanding bonds, notes, or other
7 indebtedness authorized by the qualified voters of the municipality on or after July 1,
8 1995, but before July 1, 1998, to pay costs of school construction, additions to
9 schools, and major rehabilitation projects that exceed \$200,000 and are approved
10 under AS 14.07.020(a)(11);

11 (9) subject to (h), (i), (j)(2) - (5), and (n) of this section and after
12 projects funded by the bonds, notes, or other indebtedness have been approved by the
13 commissioner, 70 percent of payments made by the municipality during the fiscal year
14 for the retirement of principal and interest on outstanding bonds, notes, or other
15 indebtedness authorized by the qualified voters of the municipality on or after July 1,
16 1998, but before July 1, 2006, to pay costs of school construction, additions to
17 schools, and major rehabilitation projects that exceed \$200,000 and are approved
18 under AS 14.07.020(a)(11);

19 (10) subject to (h), (i), (j)(2) - (5), and (o) of this section, and after
20 projects funded by the bonds, notes, or other indebtedness have been approved by the
21 commissioner, 70 percent of payments made by the municipality during the fiscal year
22 for the retirement of principal and interest on outstanding bonds, notes, or other
23 indebtedness authorized by the qualified voters of the municipality on or after June 30,
24 1998, to pay costs of school construction, additions to schools, and major
25 rehabilitation projects that exceed \$200,000, are approved under AS 14.07.020(a)(11),
26 and are not reimbursed under (n) of this section;

27 (11) subject to (h), (i), and (j)(2) - (5) of this section, and after projects
28 funded by the bonds, notes, or other indebtedness have been approved by the
29 commissioner, 70 percent of payments made by a municipality during the fiscal year
30 for the retirement of principal and interest on outstanding bonds, notes, or other
31 indebtedness authorized by the qualified voters of the municipality on or after June 30,

1 1999, but before January 1, 2005, to pay costs of school construction, additions to
2 schools, and major rehabilitation projects and education-related facilities that exceed
3 \$200,000, are approved under AS 14.07.020(a)(11), and are not reimbursed under (n)
4 or (o) of this section;

5 (12) subject to (h), (i), and (j)(2), (3), and (5) of this section, 60 percent
6 of payments made by a municipality during the fiscal year for the retirement of
7 principal and interest on outstanding bonds, notes, or other indebtedness authorized by
8 the qualified voters of the municipality on or after June 30, 1999, but before January 1,
9 2005, to pay costs of school construction, additions to schools, and major
10 rehabilitation projects and education-related facilities that exceed \$200,000, are
11 reviewed under AS 14.07.020(a)(11), and are not reimbursed under (n) or (o) of this
12 section;

13 (13) subject to (h), (i), and (j)(2) - (5) of this section, and after
14 projects funded by the tax exempt bonds, notes, or other indebtedness have been
15 approved by the commissioner, 70 percent of payments made by a municipality
16 during the fiscal year for the retirement of principal and interest on outstanding
17 tax exempt bonds, notes, or other indebtedness authorized by the qualified voters
18 of the municipality on or after June 30, 1999, but before July 1, 2006, to pay costs
19 of school construction, additions to schools, and major rehabilitation projects and
20 education-related facilities that exceed \$200,000, are approved under
21 AS 14.07.020(a)(11), and are not reimbursed under (n) or (o) of this section;

22 (14) subject to (h), (i), and (j)(2), (3), and (5) of this section, 60
23 percent of payments made by a municipality during the fiscal year for the
24 retirement of principal and interest on outstanding tax exempt bonds, notes, or
25 other indebtedness authorized by the qualified voters of the municipality on or
26 after June 30, 1999, but before July 1, 2006, to pay costs of school construction,
27 additions to schools, and major rehabilitation projects and education-related
28 facilities that exceed \$200,000, are reviewed under AS 14.07.020(a)(11), and are
29 not reimbursed under (n) or (o) of this section.

30 * Sec. 2. AS 14.11.100(j) is amended to read:

31 (j) Except as provided in (l) of this section, the state may not allocate money

1 to a municipality for a school construction project under (a)(5), (6), or (7) of this
2 section unless the municipality complies with the requirements of (1) - (5) of this
3 subsection, the project is approved by the commissioner before the local vote on the
4 bond issue for the project or for bonds authorized after March 31, 1990, but on or
5 before April 30, 1993, the bonds are approved by the commissioner before
6 reimbursement by the state, and the local vote occurs before July 1, 1987, or after
7 June 30, 1988. In approving a project under this subsection, and to the extent required
8 under (a)(8) - (14) [(a)(8) - (12)] of this section, the commissioner shall require

9 (1) the municipality to include on the ballot for the bond issue, for
10 bonds authorized on or before March 31, 1990, or after April 30, 1993, the estimated
11 total cost of each project including estimated total interest, estimated annual operation
12 and maintenance costs, the estimated amounts that will be paid by the state and by the
13 municipality, and the approximate amount that would be due in annual taxes on
14 \$100,000 in assessed value to retire the debt;

15 (2) that the bonds may not be refunded unless the annual debt service
16 on the refunding issue is not greater than the annual debt service on the original issue;

17 (3) that the bonds must be repaid in approximately equal annual
18 principal payments or approximately equal debt service payments over a period of at
19 least 10 years;

20 (4) the municipality to demonstrate need for the project by establishing
21 that the school district has

22 (A) projected long-term student enrollment that indicates the
23 district has inadequate facilities to meet present or projected enrollment;

24 (B) facilities that require repair or replacement in order to meet
25 health and safety laws or regulations or building codes;

26 (C) demonstrated that the project will result in a reduction in
27 annual operating costs that economically justifies the cost of the project; or

28 (D) facilities that require modification or rehabilitation for the
29 purpose of improving the instructional program;

30 (5) evidence acceptable to the department that the district

31 (A) has a preventive maintenance plan that

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- (i) includes a computerized maintenance management program, cardex system, or other formal systematic means of tracking the timing and costs associated with planned and completed maintenance activities, including scheduled preventive maintenance;
 - (ii) addresses energy management for buildings owned or operated by the district;
 - (iii) includes a regular custodial care program for buildings owned or operated by the district;
 - (iv) includes preventive maintenance training for facility managers and maintenance employees; and
 - (v) includes renewal and replacement schedules for electrical, mechanical, structural, and other components of facilities owned or operated by the district; and
- (B) is adequately following the preventive maintenance plan.

* Sec. 3. AS 14.17.460(a) is repealed and reenacted to read:

(a) For purposes of calculating a district's adjusted ADM under AS 14.17.410(b)(1), the district cost factor for a school district is (1) for the school year beginning July 1, 2005, the factor set out under column (A) of this subsection, (2) for the school year beginning July 1, 2006, the factor set out under column (B) of this subsection, (3) for the school year beginning July 1, 2007, the factor set out under column (C) of this subsection, and (4) for school years beginning on or after July 1, 2008, the factor set out under column (D) of this subsection:

DISTRICT COST FACTOR

DISTRICT	(A)	(B)	(C)	(D)
Alaska Gateway	1.367	1.443	1.518	1.594
Aleutians East	1.565	1.707	1.849	1.991
Aleutians Region	1.787	1.838	1.888	1.939
Anchorage	1.000	1.000	1.000	1.000
Annette Island	1.093	1.175	1.256	1.338
Bering Strait	1.643	1.762	1.880	1.998
Bristol Bay	1.316	1.370	1.424	1.478

1	Chatham	1.234	1.348	1.462	1.576
2	Chugach	1.345	1.395	1.446	1.496
3	Copper River	1.211	1.246	1.281	1.316
4	Cordova	1.131	1.165	1.200	1.234
5	Craig	1.059	1.108	1.157	1.206
6	Delta/Greely	1.140	1.174	1.207	1.241
7	Denali	1.318	1.323	1.327	1.332
8	Dillingham	1.277	1.300	1.323	1.346
9	Fairbanks	1.047	1.055	1.062	1.070
10	Galena	1.359	1.370	1.380	1.391
11	Haines	1.056	1.104	1.152	1.200
12	Hoonah	1.141	1.227	1.313	1.399
13	Hydaburg	1.190	1.295	1.399	1.504
14	Iditarod	1.564	1.658	1.752	1.846
15	Juneau	1.040	1.075	1.110	1.145
16	Kake	1.134	1.242	1.351	1.459
17	Kashunamiut	1.447	1.504	1.562	1.619
18	Kenai Peninsula	1.046	1.088	1.129	1.171
19	Ketchikan	1.043	1.085	1.128	1.170
20	Klawock	1.088	1.160	1.231	1.302
21	Kodiak Island	1.142	1.191	1.240	1.289
22	Kuspuk	1.509	1.584	1.659	1.734
23	Lake and Peninsula	1.667	1.776	1.885	1.994
24	Lower Kuskokwim	1.534	1.577	1.620	1.663
25	Lower Yukon	1.544	1.650	1.755	1.861
26	Matanuska-Susitna	1.025	1.040	1.055	1.070
27	Mt. Edgecumbe	1.049	1.098	1.146	1.195
28	Nenana	1.287	1.304	1.321	1.338
29	Nome	1.352	1.385	1.417	1.450
30	North Slope	1.576	1.648	1.719	1.791
31	Northwest Arctic	1.618	1.686	1.755	1.823

WORK DRAFT

WORK DRAFT

24-LS0062\X

1	Pelican	1.337	1.384	1.430	1.477
2	Petersburg	1.061	1.122	1.183	1.244
3	Pribilof	1.487	1.555	1.623	1.691
4	Sitka	1.049	1.098	1.146	1.195
5	Skagway	1.151	1.159	1.166	1.174
6	Southeast Island	1.194	1.264	1.333	1.403
7	Southwest Region	1.489	1.554	1.620	1.685
8	St. Mary's	1.419	1.488	1.556	1.624
9	Tanana	1.569	1.641	1.714	1.786
10	Unalaska	1.294	1.343	1.392	1.441
11	Valdez	1.114	1.133	1.151	1.170
12	Wrangell	1.040	1.080	1.119	1.159
13	Yakutat	1.138	1.229	1.321	1.412
14	Yukon Flats	1.780	1.892	2.004	2.116
15	Yukon/Koyukuk	1.585	1.669	1.752	1.835
16	Yup'it	1.533	1.596	1.660	1.723.

17 * Sec. 4. This Act takes effect July 1, 2005.

fails 5 to 5

AMENDMENT 3

OFFERED IN THE HOUSE

BY REPRESENTATIVE JOULE

TO: CSHB 13(), Draft Version "X"

1 Page 1, line 1, following "to":

2 Insert "the school construction grant fund and to"

3

4 Page 1, following line 4:

5 Insert new bill sections to read:

6 * Section 1. AS 14.11.008(a) is amended to read:

7 (a) In order to receive a grant under this chapter or an appropriation under
8 AS 37.05.560, a district must

9 (1) be

10 (A) a rural educational attendance area;

11 (B) a municipal school district and, as of June 30 of the
12 previous fiscal year, have a population of less than 1,000; or

13 (C) a municipal school district that operates schools on a
14 military reservation; and

15 (2) provide a percentage share of the project cost, as determined under
16 (b) or (c) of this section; a [A] district shall provide the required participating share
17 within three years after the date that the appropriation bill funding the grant is passed
18 by the legislature.

19 * Sec. 2. AS 14.11.008(a) is repealed and reenacted to read:

20 (a) In order to receive a grant under this chapter or an appropriation under
21 AS 37.05.560, a district must provide a percentage share of the project cost, as
22 determined under (b) or (c) of this section. A district shall provide the required
23 participating share within three years after the date that the appropriation bill funding

1 the grant is passed by the legislature.

2 * Sec. 3. AS 14.11.008 is amended by adding a new subsection to read:

3 (g) Grant funds provided to a municipal school district under (a)(1)(C) of this
4 section may only be used for the costs of school construction or major maintenance for
5 a school located on a military reservation.

6 * Sec. 4. AS 14.11.011(a) is amended to read:

7 (a) A municipality that is a school district or a regional educational attendance
8 area eligible under AS 14.11.008(a) may submit a request to the department for a
9 grant under this chapter.

10 * Sec. 5. AS 14.11.011(a) is repealed and reenacted to read:

11 (a) A municipality that is a school district or a regional educational attendance
12 area may submit a request to the department for a grant under this chapter."

13

14 Page 1, line 5:

15 Delete "Section 1"

16 Insert "Sec. 6"

17

18 Renumber the following bill sections accordingly.

19

20 Page 9, line 17:

21 Delete all material.

22 Insert new bill sections to read:

23 * Sec. 9. AS 14.11.008(g) is repealed.

24 * Sec. 10. The uncodified law of the State of Alaska is amended by adding a new section to
25 read:

26 CONTINGENT EFFECT. Sections 1 - 7 and 9 of this Act take effect only if, at the
27 first regular session or at a special session, the Twenty-Fourth Alaska State Legislature passes
28 a bill appropriating an amount equal to or more than \$100,000,000 to the school construction
29 grant fund under AS 14.11.008 - 14.11.011, as amended by secs. 1, 3, and 4 of this Act, and
30 that bill becomes law not later than October 1, 2005.

31 * Sec. 11. If, under sec. 10 of this Act, secs. 1, 3, 4, 6, and 7 of this Act take effect, they

1 take effect July 1, 2005.

2 * Sec. 12. If, under sec. 10 of this Act, secs. 2, 5, and 9 of this Act take effect, they take
3 effect July 1, 2006.

4 * Sec. 13. Section 8 of this Act takes effect July 1, 2005.

5 * Sec. 14. Section 10 of this Act takes effect immediately under AS 01.10.070(c)."

A M E N D M E N T

2
adopted
4-27-05

OFFERED IN THE HOUSE FINANCE COMMITTEE
BY: REPRESENTATIVE CROFT

TO: CS HB 13 () 24-LS0062X

Page 9, after line 16:
Add new section to read:

" Sec. The uncodified law of the State of Alaska is amended by adding a new section to read:

CONTINGENT EFFECT. Section 3 of this Act shall only apply if all school districts receive funding that is at least the equivalent of the funding they would have received under a base student allocation of \$4919 per student, in 2005 inflation-adjusted dollars, under the formula of state aid to public school districts in effect as of April 1, 2004. Inflation shall be calculated under this section as reflected by the United States Department of Labor's Consumer Price Index for Anchorage, Alaska."

AMENDMENT

1
*Withdrawn
4-27-05*

OFFERED IN THE HOUSE FINANCE COMMITTEE
BY: REPRESENTATIVE CROFT

TO: CS HB 13 () 24-LS0062AX

Page 9, after line 16:
Add new section to read:

" Sec. The uncodified law of the State of Alaska is amended by adding a new section to read:

CONTINGENT EFFECT. Sections 1 and 2 of this Act shall take effect only if, at the first regular session or at a special session, the Twenty-Fourth Alaska Legislature passes a bill appropriating an amount equal to or more than \$100,000,000 to the school construction grant fund under AS 14.11.008 - 14.11.011, as amended by this Act, and that bill becomes law not later than October 1, 2005."

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

April 28, 2005

SUBJECT: Contingency (CSHB 13(FIN) (Work Order No. 24-LS0062(C))

TO: Representative Mike Chenault
Representative Kevin Meyer
Co-chairs of the House Finance Committee
Attn: Nancy

FROM: Jean Mischel
Legislative Counsel

Enclosed is the CSHB 13(FIN). The amendment included in this version at sec. 4 of the bill suffers from some ambiguity. The section does not describe what happens to the district cost factors if the contingency is not met at some time after one or more of the application dates of the specified district cost factor set out in the draft as AS 14.17.460(a)(1) - (4) (page 7, lines 17 - 22). The district cost factor could revert to some other, unspecified percentage, or it could not apply at all for that fiscal year and no school district would receive a district cost factor adjustment.

JMM:lmb
05-157.lmb

Enclosure

HOUSE COMMITTEE REPORT

(11)

Date Referred to Committee: April 15, 2005

FURTHER REFERRALS:

Date of Committee Action: 4/28/05

The FINANCE Committee considered:

HB 13

HOUSE BILL NO. 13

SCHOOL CONSTRUCTION BOND REIMBURSEMENT

"An Act relating to reimbursement of municipal bonds for school construction; and providing for an effective date."

Recommends it be replaced with HCS or CS for HB 13 (FIN)
 For Senate Bills with new title: Technical Title New Title: HCR _____ Same Title New Title

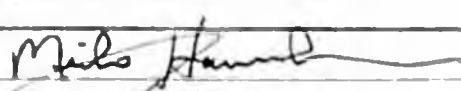
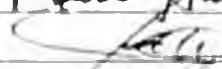
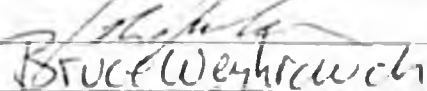
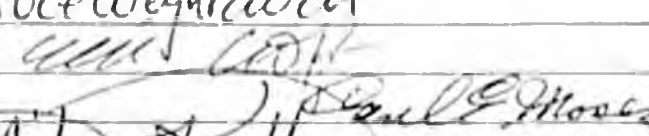
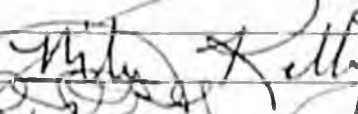

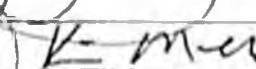

- attach amendments
- add new referral to _____ Committee
- Letter of Intent _____ Committee

List of Abbrev for Depts.:

- ADM
- CED
- COR
- CRT
- EED
- DEC
- DEG
- GOV
- HSS
- LEG
- LAW
- LWF
- MVA
- DNR
- DPS
- REV
- DOT
- UA

<u>NEW FISCAL NOTES</u>				
*Assigned by Chief Clerk's Office				
List by Dept(s):	*FN#	Fiscal	Indet.	Zero
DOE		✓		

<u>PREVIOUS FISCAL NOTES</u>				
List by Dept(s):	FN#	Fiscal	Indet.	Zero
DOE	*1		✓	

Signing with recommendations	Printed Last Name	DP	DNP	NR	AM
	Hawker			X	
	Horn			X	
	Weyhrauch	✓			
	MOSES	✓			
	Kelly			X	
	Foster	X			
Chair: 	M. M. M.			X	
Chair: 	Shep Nutt	X			

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: CSHB13-EED-ESS-4-26-05
() Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Education & Early Development
Title An Act relating to reimbursement of municipal RDU K-12 Support
bonds for school funding and adjusting the district cost factors; Component Foundation Program
Sponsor Rep. Galto & Gruenberg
Requester Rep. Galto & Gruenberg Component No. 141

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	20,181.8	20,660.7	20,767.6	20,951.8	0.0	0.0
Miscellaneous						
TOTAL OPERATING	20,181.8	20,660.7	20,767.6	20,951.8	0.0	0.0

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

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

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	20,181.8	20,660.7	20,767.6	20,951.8	0.0	0.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	20,181.8	20,660.7	20,767.6	20,951.8	0.0	0.0

Estimate of any current year (FY2005) cost: 0.0

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

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Section 3 of CSHB13 would replace the existing District Cost Factors listed in AS 14.17.460(a) by implementing the proposed Institute of Social and Economic Research (ISER) cost factors over the next four fiscal years.

Prepared by: Eddy Jeans, Director
Division: School Finance
Approved by: Karon Rehfeld, Deputy Commissioner
Agency: Education & Early Development

Phone: 465-8679
Date/Time: 4/26/05 3:29 PM
Date: 04/26/2005

School District	FY06 Projected		FY07 Projected		FY08 Projected		FY09 Projected	
	1st year	Cost	2nd year	Cost	3rd year	Cost	4th year Cost	
Alaska Gateway	1.367	215,926	1.443	250,018	1.518	282,454	1.594	282,500
Aleutian Region	1.787	19,967	1.838	19,993	1.888	19,939	1.939	19,994
Aleutians East Borough	1.565	415,209	1.707	415,162	1.849	415,209	1.991	415,116
Anchorage	1.000	-	1.000	-	1.000	-	1.000	-
Annette Island	1.093	202,415	1.175	202,462	1.256	202,506	1.338	202,462
Bering Strait	1.643	1,840,152	1.762	1,840,061	1.880	1,840,151	1.998	1,840,107
Bristol Bay Borough	1.316	82,518	1.370	82,610	1.424	82,564	1.478	82,518
Chatham	1.234	183,955	1.348	184,047	1.462	184,048	1.576	184,048
Chugach	1.345	25,765	1.395	25,794	1.446	25,793	1.496	25,766
Copper River	1.211	171,327	1.246	171,282	1.281	171,282	1.316	171,326
Cordova	1.131	114,708	1.165	114,754	1.200	114,754	1.234	114,755
Craig	1.059	134,041	1.108	134,040	1.157	134,041	1.206	134,086
Delta/Greely	1.140	227,074	1.174	227,167	1.207	227,074	1.241	227,120
Denali Borough	1.318	12,628	1.323	12,628	1.327	12,628	1.332	12,674
Dillingham	1.277	88,396	1.300	88,442	1.323	88,442	1.346	88,442
Fairbanks N. Star Borough	1.047	692,014	1.055	692,060	1.062	692,061	1.070	692,060
Galena	1.359	19,056	1.370	19,058	1.380	16,290	1.391	11,461
Haines Borough	1.056	108,049	1.104	108,004	1.152	108,096	1.200	108,049
Hoonah	1.141	133,902	1.227	133,857	1.313	133,902	1.399	133,904
Hydaburg	1.190	44,847	1.295	44,849	1.399	44,848	1.504	69,462
Iditarod Area	1.564	159,096	1.658	159,096	1.752	159,151	1.846	159,096
Juneau Borough	1.040	1,094,411	1.075	1,094,365	1.110	1,094,412	1.145	1,094,457
Kake	1.134	138,219	1.242	138,265	1.351	138,174	1.459	138,265
Kashunamiut	1.447	156,909	1.504	156,817	1.562	156,817	1.619	156,816
Kenai Peninsula Borough	1.046	2,548,652	1.088	2,548,606	1.129	2,548,606	1.171	2,548,698
Ketchikan Gateway Borough	1.043	655,417	1.085	655,415	1.128	655,417	1.170	655,370
Klawock	1.088	61,335	1.160	61,308	1.231	99,336	1.302	101,942
Kodiak Island Borough	1.142	872,159	1.191	872,157	1.240	872,159	1.289	872,205
Kuspuk	1.509	307,205	1.584	307,205	1.659	307,251	1.734	307,204
Lake & Peninsula Borough	1.667	449,373	1.776	449,327	1.885	449,328	1.994	449,326
Lower Kuskokwim	1.534	816,053	1.577	1,280,765	1.620	1,356,936	1.663	1,356,982
Lower Yukon	1.544	1,786,288	1.650	1,786,335	1.755	1,786,288	1.861	1,786,288
Mat-Su Borough	1.025	1,320,109	1.040	1,320,107	1.055	1,320,155	1.070	1,320,108
Nenana	1.287	28,608	1.304	28,608	1.321	28,517	1.338	28,607
Nome	1.352	176,838	1.385	176,837	1.417	176,837	1.450	176,884
North Slope Borough	1.576	915,278	1.648	915,277	1.719	915,232	1.791	915,277
Northwest Arctic Borough	1.618	1,121,412	1.686	1,121,367	1.755	1,121,412	1.823	1,121,366
Pelican	1.337	6,157	1.384	6,132	1.430	6,131	1.477	6,130
Petersburg	1.061	275,796	1.122	275,750	1.183	275,795	1.244	275,796
Pribilof	1.487	86,513	1.555	86,514	1.623	86,421	1.691	86,513
Saint Mary's	1.419	100,473	1.488	100,427	1.556	100,426	1.624	100,427
Sitka Borough	1.049	460,439	1.098	460,440	1.146	460,395	1.195	460,485
Skaqway	1.151	7,485	1.159	7,485	1.166	7,577	1.174	7,485
Southeast Island	1.194	108,547	1.264	106,487	1.333	106,515	1.403	156,671
Southwest Region	1.489	418,560	1.554	418,560	1.620	418,562	1.685	418,606
Tarana	1.569	41,328	1.641	41,328	1.714	41,328	1.786	41,373
Unalaska	1.294	125,891	1.343	152,363	1.392	152,363	1.441	152,362
Valdez	1.114	105,800	1.133	71,270	1.151	63,655	1.170	63,626
Wrangell	1.040	113,285	1.080	113,284	1.119	113,331	1.159	113,238
Yakutat	1.138	98,360	1.229	88,649	1.321	59,154	1.412	77,005
Yukon Flats	1.780	211,401	1.892	211,428	2.004	211,401	2.116	304,891
Yukon Koyukuk	1.585	306,379	1.669	306,425	1.752	306,377	1.835	306,425
Yupit	1.533	249,392	1.596	249,345	1.660	249,392	1.723	249,346
Mt. Edrecombe High School	1.049	126,693	1.098	126,694	1.146	126,647	1.195	126,693
Other								
Total		20,181,810		20,660,728		20,767,580		20,951,813

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: HB 13
(H) Publish Date: 3/4/05

Revision Date/Time (Note if correction): _____ Dept. Affected: Education & Early Development
Title: "An Act relating to reimbursement of municipal RDU: ESS
bonds for school construction; and provide for an effective ..." Component: School Debt Reimbursement
Sponsor: Rep. Gatto & Rep. Gruenberg
Requester: _____ Component No.: 153

Expenditures/Revenues (Thousands of Dollars)

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

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

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

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

Estimate of any current year (FY2005) cost: 0.0
Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

The Act will extend the Debt Reimbursement program for another year and a half. Since there is no limit on the principal amount that can be approved for reimbursement it is not possible to project the increase to the Debt Reimbursement program for fiscal years 2007 and beyond.

Prepared by: Eddy Juans, Director Phone: 465-8679
Division: School Finance Date/Time: 1/24/05 3:52 PM
Approved by: Karen Rehfeld, Deputy Director Date: 1/24/2005
Agency: Education & Early Development

HOUSE FINANCE COMMITTEE

fails 5 to 5

DATE: April 27, 2005

Amendment: 3 (HB 13)

MEMBER

Favor

Oppose

MOSES	✓	
STOLTZE <i>absent</i>		
WEYRAUCH	✓	
CROFT	✓	
FOSTER	✓	
HAWKER		✓
HOLM		✓
JOULE	✓	
KELLY		✓
CHENAULT		✓
MEYER		✓

5

5

AMENDMENT

4 fails 2-8

OFFERED IN THE HOUSE

BY REPRESENTATIVE HAWKER

TO: CS HB 13 Work Draft (24-LS0062X)

- 1 Page 7, line 15 through page 9, line 16
- 2 Delete all material
- 3
- 4 Renumber following sections accordingly

HOUSE FINANCE COMMITTEE

DATE: April 27, 2005
 Amendment: 4 (HB13)

MEMBER

Favor

Oppose

STOLTZE <i>absent</i>		
WEYRAUCH		✓
CROFT		✓
FOSTER		✓
HAWKER	✓	
HOLM		✓
JOULE		✓
KELLY		✓
MOSES		✓
MEYER	✓	
CHENAULT		✓

2

8

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

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Mail Stop 3101


State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

February 23, 2005

SUBJECT: School Bond Debt Reimbursement (HB 13)

TO: Representative Carl Gatto
Co-Chair of the House Transportation Committee
Attn: Cody Rice

FROM: Jean M. Mischel
Legislative Counsel 

You have asked for a written summary of our discussion of the potential effect of HB 13 on the *Kasayulie v. State of Alaska* case that is still pending. I have advised you that a discussion of any effect can only be speculative since much of the impact of this bill on the rural/urban funding equity issue raised in the case depends on (1) annual appropriations approved by the legislature for school facilities both for bond debt reimbursement for municipal school districts and for capital improvement projects for regional education attendance areas (REAAS) and municipal school districts; and (2) voter approval of bond indebtedness.

That said, as you are aware, a Superior Court summary judgment order in *Kasayulie* inspired the passage in 2002 of additional general obligation bonds to pay for capital improvement projects for schools prioritized but not previously funded in the REAAs under AS 14.11.011. The *Kasayulie* court required in 1999 that the state employ a funding scheme that adequately maintained rural schools and to have a compelling reason for inequality of facility funding. In the past, the state apparently lacked that scheme. In the 22nd Legislature, general obligation bonds were proposed and approved in an amount (\$171 million) thought to strike a compromise between rural and urban school facility funding in exchange for a two year extension for restricted approvals under AS 14.11.100(a)(9) and (10) and the addition of unrestricted approvals for municipal bonds reimbursement for a five and a half year period under AS 14.11.100(a)(11) and (12).¹ (§§ 6 - 8, ch. 3, SSSLA 2002).

This compromise was apparent from the legislative history on the general obligation and municipal bond bills heard consecutively before the finance committee in special session. Significantly, projects affected by the current January 1, 2005, deadline were approved by the commissioner but disapproved by voters.

¹ In the end, approximately \$130 of the 171 million approved for general obligation bonding then went to the REAAs, with the remaining going to municipal projects.

Representative Carl Gatto

February 23, 2005

Page 2

HB 13 extends by 18 months the authorization for municipal school districts to seek voter approval for school improvement projects and to obtain either 60 or 70 percent debt reimbursement from the state for those projects. There is no statutory cap on the debt obligation. To date, the state debt reimbursement obligation is estimated to be more than 100 million per year for the next 10 to 12 years. A report is due January 1, 2006.

In the meantime, the capital improvement project priority list is growing. The REAA projects currently occupy the top 25 slots on the list, totaling more than \$300 million in unfunded need. Additional municipal school district projects follow on the list.

The most conservative approach to avoid a *Kasayulie* type of challenge with the extension in HB 13 would be to either fund concurrently some of the REAA projects in an appropriation bill or to find another REAA funding source to meet some part of the identified need. This assumes, however, that necessary appropriations and voter approvals are obtained to implement HB 13.

If I may be of further assistance, please advise.

JMM:lmb

05-061 - mb

ALASKA COUNCIL



OF SCHOOL ADMINISTRATORS

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Alaska Council of School Administrators

January 31, 2005

Representative Mark Neuman, Chair
House Special Committee on Education

Dear Chair Neuman and Committee members:

Enclosed is resolution 04-8, *Bond Debt Reimbursement*, adopted by the organizations that make up the Alaska Council of School Administrators. This resolution is presented in support of HB 13.

Respectfully submitted,

Mary A. Francis, Ph.D.
Executive Director

Resolution 04-8

BOND DEBT REIMBURSEMENT

WHEREAS, the voters have supported several local and statewide bond initiatives for school construction and major maintenance; and

WHEREAS, the public was informed that local and statewide bond efforts would receive State support in the repayment of the bond effort; and

WHEREAS, the planning of construction projects and major maintenance efforts were carefully considered with anticipated budget information secured from a variety of sources, including information from the State of Alaska, and

WHEREAS, a significant reduction in the repayment schedule from the State of Alaska will adversely affect local budgets at an extremely challenging time; now

THEREFORE IT IS RESOLVED that the Alaska Council of School Administrators supports full funding of previously approved bonds as they were presented to the people of local communities and a continued debt reimbursement program that also allows participation by districts unable to bond.

Adopted by the Alaska Council of School Administrators (AASA, AAESP, AASSP and ALASBO) October and December 2004.



**WRANGELL
PUBLIC SCHOOLS**
DISTRICT OFFICE

GATEWAY TO THE STIKINE

P.O. BOX 2319
WRANGELL, ALASKA 99929
Telephone (907) 874-2347
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February 2, 2005

Representative Carl Gatto
Room 411
State Capitol
Juneau, AK 99801-1182

RE: HB13

Dear Honorable Representative Gatto:

I would like to provide you with my full support of House Bill No. 13, "An act relating to reimbursement of municipal bonds for school construction."

School districts across Alaska are working hard to meet multiple challenges, including increasing student performance in core academic subjects and implementing the goals of the State of Alaska Quality Schools Initiative and the No Child Left Behind Act of 2001. These districts are also struggling to maintain, replace, and modernize their local school buildings.

The passage of HB13 will trigger a school debt reimbursement program for school district bonds for capital and major maintenance projects. The school debt reimbursement program will reimburse school projects at 70 percent taking the burden off of municipalities. HB13, if passed, will help many rural and urban school districts and communities catch up with unmet school construction and major maintenance needs.

Your continued support of public education and Alaska's youth is very much appreciated.

Sincerely,

Susan J. Sciabarrasi
Superintendent

SJS: kp

Cc: Alaska State House of Representatives

Cody Rice

From: Kim Floyd [Kim.Floyd@matsuk12.us]
Sent: Tuesday, January 18, 2005 2:38 PM
To: Cody Rice
Subject: MSBSD Polling Results

Cody:

To follow are the results of our recent public opinion poll, which surveyed 609 Valley residents, 60 percent of whom do not have children in Mat-Su schools.

There appears to be overwhelming support for school construction. We asked respondents to consider three elementary schools and a new high school for the core Palmer/Wasilla areas.

- 77.4 percent favored a elementary in Settler's Bay
- 68 percent favored an elementary in the Springer Loop area (Palmer)
- 69.7 percent favored an elementary in the south Trunk Road area (Palmer)
- 71.7 percent favored a high school in the core area

- 58.5 percent favored a bond package of \$50 million for three elementary schools
- 52.3 percent favored a bond package of \$80 million for three elementary schools and a high school

- If 60 percent reimbursement were offered by the state, the percentage of those indicating they would vote "yes" on an \$90 million bond package increased to 74.5 percent (three elementary schools and a high school); Specifically for Representative Gatto's information, 75 percent of Palmer residents indicated support, as did 74 percent of Republicans

As you know, a 74.5 percent approval rating in preliminary polling is phenomenal. We think the results are very telling about our community's support for school construction.

Our community has come out in opposition to our proposed boundary changes, which would move students from core area schools to outerlying areas, such as Sutton and Houston. During town meetings in November, participants indicated that school construction should be the primary source of relief to overcrowded facilities. In addition, families would rather we build portables and keep students closer to home than change boundaries.

The Board is to hear public comment and vote on proposed boundary changes on Wednesday. If not approved, we will work to secure funding for portables and perhaps, in extreme cases, increase class sizes.

Please let me know if you need more information, and how we might help on the passage of HB13. Please share our thanks with Representatives Gatto and Gruenberg for sponsoring this bill.

Thanks,

Kim Floyd

House EDUCATION Minute



Mar 03, 2005

HB 13-SCHOOL CONSTRUCTION BOND REIMBURSEMENT

DRAFT

CHAIR NEUMAN announced that the first order of business would be HOUSE BILL NO. 13 "An Act relating to reimbursement of municipal bonds for school construction; and providing for an effective date."

11:10:38 AM

REPRESENTATIVE GATTO, sponsor to HB 13, stated that this legislation is a way for urban districts to finance school construction. He said that there is a shortage of space in several areas in Alaska, specifically in the Mat-Su Valley and Anchorage and as schools deteriorate, they need replacement. He related that this bill allows for the construction of schools where the state supplies 70 percent of the cost and the homeowners and residents of the area supply 30 percent.

REPRESENTATIVE THOMAS commented that Haines is an organized municipality and qualifies [for the proposed legislation].

REPRESENTATIVE GATTO stated that he is unaware of any areas in the state that would not qualify for the "70/30" division of funding. He remarked that this funding is open to everyone in the state if those interested, apply.

CHAIR NEUMAN asked if this legislation will act like a new school bond or if it can be used for repairs and maintenance.

REPRESENTATIVE GATTO said that this legislation does not cover routine repairs and maintenance, but does apply to reconstruction or major maintenance.

11:13:55 AM

REPRESENTATIVE GARA commented that this legislation is something that wealthier [or urban] districts in the state can take advantage of. Since many of the rural communities don't do matching bond contributions, he related, those schools are usually funded through an appropriation. He said that if school construction is pushed in places that need it, then he would like a commitment from the sponsor to address the needs of rural districts [that cannot benefit from this legislation]. He questioned if [this legislation] is viewed as a global way to help all the school districts. He asked if Representative Gatto supports the funding of rural school district construction and maintenance.

REPRESENTATIVE GATTO reminded Representative Gara that legislation enabling the "70/30" split construction issue expired [January 1, 2005]. He related that some districts

didn't have bonding available or didn't put bonding out at the time. He explained that this bill extends the old bill to July 1, 2006 and gives [urban communities] an opportunity to put bonding out there. The important part of this legislation is the commitment from a community to fund 30 percent [of school construction costs]. He inquired as to the percentages supplied by rural communities to cover school construction costs.

REPRESENTATIVE GARA said that this bill only applies to school districts that have a tax base that bond, and it doesn't apply to the REAA's (Rural Education Attendance Areas) or to the smaller communities that don't bond. He explained, "if I feel that we're not going to be supportive to the bush communities and help them with their maintenance and construction problems ... I think I will end up fighting this ... I think all of the school districts need help in this area ... I am not going to get into a regional war where we are trying to do something for our own districts but not for other people's districts ... what I was really looking for was a commitment that we could all work together to ... get through the maintenance and construction list for those schools that aren't going to benefit from this bill."

REPRESENTATIVE GATTO stated that he can commit to "work." He said that this legislation is available to any district that applies for [school construction funding assistance].

11:17:11 AM

REPRESENTATIVE GARA stated that the small, rural, and REAA districts don't apply and can't apply, so they might want to, but they are unable to. He explained that he will support this legislation as long as he feels that there will be support for the rural districts when that time comes.

CHAIR NEUMAN said that Mr. Jeans will be available to answer questions concerning issues of funding in rural districts.

REPRESENTATIVE THOMAS pointed out that the Haines Borough recently went through an election to bond and it will cost \$2.67 "mills" that they are willing to put on their "mill" rate to build a new school. He said, "it depends on what definition ... they are rural because they are an organized municipality ... and they are going to borrow 17 or 16 because the state ... they're under the old plan, 70/30, and are willing to do that ... it did pass ... little towns are willing to do it, but at a big expense ... three of the schools are ready to fall down ... it is cheaper to build a new one than it is to replace or remodel the old ones."

11:19:40 AM

REPRESENTATIVE GRUENBURG stated that he is sensitive to the issues in bush communities and has made commitments to the bush caucus in helping provide for school construction. He emphasized that he wants to move L. 13 forward, while keeping in mind the needs of bush communities.

11:21:38 AM

EDDY JEANS, Director, School Finance, Department of Education and Early Development, (EED), stated that he had previously given testimony on HB 13 and had described the position of the EED.

CHAIR NEUMAN asked Mr. Jeans to give the committee an idea on how to address the needs of rural Alaska with the construction of new schools and the repair [of old schools].

MR. JEANS replied that the mechanism is already in place and the EED has a process where the new construction and major maintenance requests, from school districts, are evaluated. He explained that the lists are prioritized for the legislature. On the EED's web page, he related, there is the school construction list as well as the major maintenance list. He reminded the committee that the governor has recommended in his budget, that the first 20 projects on the major maintenance [list] be funded this session. The process is there, he said, and the list is there, and it is up to the legislature to consider those requests.

REPRESENTATIVE GARA inquired as to the types of schools included on the major maintenance list.

MR. JEANS stated that [the list] includes any school district that applies. It is up to the school districts to apply, he said, and after they apply the EED goes through the prioritization process.

11:24:48 AM

REPRESENTATIVE GARA stated that, in 2002, [the legislature] passed the last big bonding proposal, including a state bond for rural districts, and a match for the districts that contributed. He inquired as to what Anchorage funded through its 30 percent match and if they were schools on the major maintenance list. He asked if schools that are on the major maintenance list are the ones that end up not being bonded through the local match program.

MR. JEANS explained that on the 2002 "statewide geo bond list" of schools, there was one project from the Anchorage School District and the rest were REAA school districts. He said that at the same time that that "geo bond package" was approved by the voters, the debt reimbursement program opened up and was available to all municipalities. Included in that legislation, he related, was that the grant program was closed to municipal school districts because the debt program was available to them. That legislation has "sunsetting", he said, so the two lists that the EED compiled this year include both REAA's and municipal school districts.

REPRESENTATIVE GARA asked if non-REAA districts have the ability to bond.

MR. JEANS said that non-REAA districts have the ability to bond, but they may not have the capacity [to bond].

CHAIR NEUMAN asked Mr. Jeans to explain what REAA stands for.

MR. JEANS said that REAA stands for Regional Education Attendance Area.

REPRESENTATIVE SALMON inquired as to how HB 13 affects the priority list of school construction.

MR. JEANS explained that it does not affect the school construction list or the major maintenance list, other than if this bill was to pass, those municipalities that have projects on those lists could go back to their voters, get approval and bond for those projects.

In response to Representative Salmon, Mr. Jeans said that the two different programs require separate appropriations. He explained that going into the 2007 budget, the EED is requesting \$86 million to fund the debt reimbursement program for fiscal year 2006. He mentioned that the governor has requested \$28 million for the first twenty projects on the major maintenance list.

11:29:29 AM

KIM FLOYD, Public Information Specialist, Matanuska-Susitna Borough School District, (MSBSD), stated that the MSBSD has a school on "deed's" priority list for school construction and the state would have to invest \$440 million before that school is built. She said that this school was needed three years ago. She continued:

We have an average annual growth rate, in our district, of approximately 7 percent ... 500 - 600 new kids each year ... the Knick Goose Bay area is the fastest growing area in the state of Alaska ... our school is number 31 on the "deed priority list", \$440 million dollars before we get there, we need some relief, we're asking for help; I do hope that HB 13 can pass out of this committee, today, so that the conversation can continue. We are not trying to, by any means, create a regional debate. The reality is, with 500 to 600 kids new to our district every year, it is the equivalent of a new elementary school. We've had 300 new kids just since the count period ended. They are coming both from in the state and from out of the state. As you can imagine, this is creating great strain on our existing facilities, currently we have 52 portable classrooms in use throughout our district, approximately 12 percent of our students are educated in portable classrooms. They are fine for a temporary "stop gap" measure, but they certainly aren't a long term investment in infrastructure. These schools will still be needed thirty years down the road and portables certainly don't have that type of lifespan.

CHAIR NEUMAN inquired as to the associated costs of using portable classrooms.

MS. FLOYD said that each portable costs \$70,000 to build and install plus the additional heating and electricity costs after installation. She explained that portables do not have

[restroom] facilities and children are required to leave classrooms, unattended, and enter the main building. She pointed out that the MSBSD has a comprehensive, 20 year facility plan, has updated the 6 year plan submitted to "deed" each year, and are actively working with developers in the Mat-Su community to make sure that planning is efficient and cost effective. She emphasized that the MSBSD feels as though they have been extremely good stewards for bonding projects in the past, and expect to be in the future.

CHAIR NEUMAN asked Ms. Floyd to comment on the process that the MSBSD will go through if HB 13 passes.

11:34:22 AM

MS. FLOYD stated that the MSBSD has a 6 year "sub" plan that is given to the state to look at the capital infrastructure needs. The priority list generated from that plan helps to create a bond package list and that is forwarded to the borough assembly, she related. The borough assembly analyzes the needs and may repackage what the MSBSD created, she explained, and then they approve an initiative for the ballot. She pointed out that once that passes, the MSBSD must wait 4 years before the [new] school actually opens. She added that if the MSBSD were to successfully bond this fall, the new schools would not open until 2009. She emphasized that new schools were needed 3 years ago. She stated that MSBSD will need short term solutions in the meantime.

CHAIR NEUMAN inquired as to the number of schools in the MSBSD that are over capacity.

MS. FLOYD stated that there are 36 schools in the MSBSD; of the 17 elementary schools, the majority are in the Palmer-Wasilla area and there is not a single empty classroom. She explained that even with increased operating monies, class sizes cannot be reduced. She said that the MSBSD is at a critical point of looking at options that aren't acceptable to parents and that don't meet community expectations for quality education. She added that last year the funding that the legislature appropriated helped reduce class sizes at the Kindergarten level.

CHAIR NEUMAN asked about the growth rate of the MSBSD.

MS. FLOYD stated that the MSBSD has a growth rate of 500 to 600 students a year with an average annual growth of about 7 percent. She said that population forecasts estimate the MSBSD will be bigger than the (Anchorage School District) in 30 years.

11:37:01 AM

REPRESENTATIVE THOMAS asked for clarification related to the MSBSD going under the last bond issue and applying for [new] schools.

MS. FLOYD stated in the fall of 2003, the MSBSD passed \$56 million in bonds. In response to Representative Thomas's follow up question regarding the application for more bonds, Ms. Floyd explained that last year, the MSBSD was faced with a 13 percent

increase in assessed evaluations and that is the MSBSD's only source of revenue in the community for borough operations or for payment on bond debt. She said that the MSBSD was faced with a sales tax that was 1 percent borough wide, and dealing with discussions on real estate transfer fees and gravel extraction taxes. She said:

We try very hard to make sure that we are in communication with all stakeholders in our community and the belief at that time was it was not a good idea, in that environment, to go forth with a school bond. We tend to be a little reactive in our community, we're learning to grow up, and we weren't quite at the crisis point that people felt that those bonds could have been successful in that environment. We're there now. We're at the precipice, we're going over ... we did do a survey this past fall, we asked residents how they felt about an \$80 million dollar bond package, which would include 3 elementary schools and a high school - all needed projects. With the "70/30" bond debt reimbursement, we had a 75 percent support ... people know we've reached that edge ... our community is ready, and we would appreciate an extension and an opportunity to address our student's needs."

11:39:19 AM

REPRESENTATIVE GATTO asked if the opening of the new hospital is included in the population growth prediction.

MS. FLOYD said yes, along with the retail bloom that is occurring and the building of the biggest Wal-Mart in the state. She said that it is staggering to listen to developers and hear about what will hit the community around the MSBSD.

REPRESENTATIVE THOMAS inquired as to the the Mat-Su community utilizing "forgiveness taxes".

MS. FLOYD stated that the MSBSD is trying very hard to meet with developers and plan how to deal with the coming changes in the community. She said that the MSBSD feels that there is a very valuable public/private partnership that needs to happen.

11:42:02 AM

CHAIR NEUSAM commented that property taxes in the Mat-Su Borough have risen over 40 percent in the last 3 years, with another expected rise of almost 13 percent this year. He emphasized that the community is willing, despite these tax increases, to support the school bond.

REPRESENTATIVE GATTO inquired as to the development of a vocational technology focused high school and if it will affect the need for more funds.

MS. FLOYD stated that the career and "vo-tech" high schools were part of the last bond package that was passed. She stated that there will also be an elementary school that will open in the fall of 2006, and it will be completely filled by the time it

opens. She emphasized that these new schools will be at their maximum capacity when they open.

REPRESENTATIVE WILSON stated that her district is losing so many teachers and programs, that it is hard to imagine how difficult the MSBSD situation is.

MS. FLOYD said the the MSBSD realizes that this situation is very different than most districts in the state. She said that though they are addressing the situation adequately, the time has come where the MSBSD needs help.

MS. FLOYD commented that the MSBSD will start surveying students and investigating where they are coming from. She mentioned that after Christmas break, at Goose Bay Elementary School, 10 students were enrolled that came from out of state.

In response to Chair Neuman's comments on the benefits of "vo-tech" schools, Ms. Floyd stated that the MSBSD has the most highly recognized career and technical education programs in the nation.

REPRESENTATIVE GATTO commented that the top six welding students all came from one school in the [Mat-Su] Valley. He also stated that the issues of growth in the Mat-Su Valley are causing severe expenses.

11:46:36 AM

MARY FRANCIS, Executive Director, Alaska Council of School Administrators, (ACSA), stated that there are schools all over the state in need of construction and major maintenance, and the ACSA supports the continuation of the debt reimbursement program. She explained that the ACSA has a resolution that advocates for fully funding previously approved bonds as well as the continuation of the program. As you know, she said, there have been many years of minimal funding for school construction and major maintenance and it has created a huge need statewide. She mentioned that because there are high needs now, there are many municipalities that are willing to kick in their share of 30 or 40 percent [for construction and maintenance of schools] and the ACSA would very much support this legislation and hope that it passes out of committee.

REPRESENTATIVE GARA asked if the ACSA has a position on the proposal for how much should be funded to get through the major maintenance and construction list.

MS. FRANCIS stated that the ACSA supports following the list that the EED creates. She explained that the ACSA feels that the process by which people apply for placement on the EED's list is very thorough. She pointed out that the ACSA supports the funding of all school districts in the state of Alaska.

REPRESENTATIVE GARA inquired as to the ACSA having a proposal on how far through the list the legislature should go this year, to be equitable.

MS. FRANCIS stated that the ACSA has not addressed that issue, yet.

REPRESENTATIVE GATTO asked for clarification about an earlier comment concerning full funding of existing bonding.

MS. FRANCIS stated that some of the school districts were concerned that [the legislature] would cancel what was previously approved for bonding.

11:50:05 AM

REPRESENTATIVE GATTO moved to report HB 13 out of committee with individual recommendations and the attached fiscal notes. There being no objections, HB 13 was reported out of the House Special Committee on Education.

DRAFT

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House EDUCATION Minute



Feb 01, 2005

HOUSE BILL NO. 13 "An Act relating to reimbursement of municipal bonds for school construction; and providing for an effective date."

CHAIR NEUMAN announced that the next order of business would be HOUSE BILL NO. 13 "An Act relating to reimbursement of municipal bonds for school construction; and providing for an effective date."

REPRESENTATIVE GATTO, sponsor to HB 13, stated that [HB 13] deals with school debt reimbursement. He related that in his own district, 13 years ago, two schools were built when school debt reimbursement was "90/10" with the state funding 90 percent and the local district funding 10 percent. Since then, he explained, the state has reduced the amount of money it supplies for reimbursement; the state now funds 70 percent. He described the Mat-Su borough and its growth rate of 500 students each year, requiring the construction of new schools. He related the importance of all districts to find a source of revenue to fund new schools. This bill, he said, takes the previous statutes which "sunsetting" on January 1, 2005, and extends the "sunset" date. He clarified that this gives the borough time to introduce bonding legislation.

REPRESENTATIVE GRUENBURG invited the [committee] to add things that would benefit educational capital construction. He explained that this needs to be accomplished this year in Anchorage, in the Mat-Su, and in other parts of the state. He emphasized that [educational capital construction] is one of the most important issues facing the municipalities.

REPRESENTATIVE SALMON asked how this bill affects rural school districts.

REPRESENTATIVE GRUENBURG responded that this is legislation that is needed in certain parts of the state. He said:

the last time this was done, there was a contingent effective date clause put on the bill ... the provision that was at issue here, the amendment, had ... a contingent effective date that said this language, extending the 60 to 70 percent school debt reimbursement, would become effective, if and only if, the voters approved the bond issue that contained bonding for rural schools ... this would not become effective unless two things happened .. the legislature passed the other provision ... that other provision authorized bonds to be put to the voters at the next general election and it would only become effective if the voters approved those bonds. It tied the two together even though they couldn't do it in the same bill ... so, we can work with you and people

from all parts of the state to craft a plan that will be a win-win for everybody, particularly in this year of high oil prices.

12:00:53 PM

CHAIR NEUMAN asked Representative Gruenburg to explain how schools would be funded and how an unorganized borough will manage to get their part of the debt bond reimbursement.

REPRESENTATIVE GRUENBURG explained that the state floats bonds and pays the cost of repaying those bonds. In the areas that have the bonding capacity, he said, the state pays a smaller percentage because the municipality has the ability to pay the rest. He described projects receiving a 50 or 70 percent reimbursement depending on whether they meet certain construction specifications. He said the municipality has the ability to pay a partial match but in the areas that don't, the state pays the full cost.

In response to Chair Neuman's question, Representative Gruenburg clarified that municipalities do not have the ability to propose construction. He explained that voters know every project they're funding.

CHAIR NEUMAN asked how funding for schools is appropriated.

REPRESENTATIVE GRUENBURG said that in the past cash was used for schools. Now he related, bonds will be used and this spreads the cost of projects over time. He pointed out that as the generations that use those schools reach maturity, they bear part of the cost of repaying the bonds.

REPRESENTATIVE GARA stated that money will not reach the unorganized boroughs. He discussed that when the bond bill passed, it was decided that the money would go to all districts.

12:05:29 PM

REPRESENTATIVE GRUENBURG explained that he would like to make this part of a broader package of legislation.

REPRESENTATIVE GARA clarified that this bill, without any amendments, is strictly for the organized boroughs.

REPRESENTATIVE GATTO stated that there is a need to construct schools and whether or not this bill covers all of the needs in districts, it deals with an existing need that is easily identifiable. He explained that it is simply a matter of extending a "sunset" date to existing legislation that was already approved and functioning.

REPRESENTATIVE GARA stated that though he supports [HB 13] there are portions in the state that won't benefit from this bill. He inquired as to the bond package and if it allows school districts unlimited bonding capacity.

REPRESENTATIVE GRUENBURG stated that under [HB 13] there is no cap. When the package of legislation passed, he related, the amounts of the bonds were known and it was known how much was

going to be bonded for all of the projects.

12:10:13 PM

EDDY JEANS, Director, School Finance, Department of Education and Early Development, (EED), stated that he would like to make clarifications on the previous discussion. He said that there were two bills that were passed in 2002:

one was a state "geo" bond package that had a list of schools of approximately \$171 million dollars that required a statewide vote of all Alaskans before the state would issue state "geo" bonds to pay for that \$171 million dollars in school construction throughout Alaska. Contingent upon an affirmative vote, which did occur, the debt reimbursement program was extended for a two year period, no caps, that allowed reimbursement of 60 or 70 percent, dependent on the individual project. If it met the Department of Education's eligibility criteria, it qualified for 70 percent reimbursement; if the district wanted to go beyond the department's eligibility criteria, the project was eligible for 60 percent reimbursement.

The debt reimbursement program also required that you get those bonds approved by the local voters, so there was a two step approval process there, one at the local level and one at the state of Alaska level. Once that approval occurred ... then the local municipality can go and issue bonds for a minimum for 10 years, and the state will reimburse on the principal and interest of those bonds over the life of those bonds, subject to annual appropriation by the legislature. "HB 2003" also required the Department of Education to prepare a report back to the legislature next January ... on the effectiveness of this dual system, the "geo" bonds for the rural schools and the debt reimbursement program for the municipal school districts.

The department is opposed to this piece of legislation because we believe that we need to have time to do our analysis to give you good information in your decision making process ... through the last two years, the department and municipal governments have approved \$728 million dollars in construction projects in municipal school districts ... so we need time to do our analysis, to be able to tell you what the long term fiscal impacts on the state will be for this program before we go and extend it again. And the legislation actually foresaw us needing that time, and provided us that time through the intent language to do this report.

12:13:24 PM

CHAIR NEUMAN asked about how this could affect bonds that the state is trying to move forward on.

MR. JEANS said that he would defer that question to the

Department of Revenue, as they are the experts in that area.

REPRESENTATIVE WILSON asked if the Department of Revenue has been asked about their position in this situation.

REPRESENTATIVE GRUENBURG stated that he realizes the necessity of doing this study, but as there is additional money now, and the [monetary] situation is unpredictable from quarter to quarter, the study conducted may not be valid in the near future.

MR. JEANS commented that the State of Alaska will be paying on the debt reimbursement program for 10 to 20 years. He explained that the debt reimbursement budget this year is \$88 million, and school districts have not issued all of the bonds for the \$728 million that have been authorized in the last two years. He said that the state's annual obligation for those bonds is unknown until the analysis is complete.

REPRESENTATIVE THOMAS inquired as to how many schools need to be built and/or replaced and if other communities report to the EED if they are in need.

MR. JEANS explained that the EED does not receive applications from all of the school districts so it is difficult to accurately give a statewide need number. He commented that the EED has a school construction list and a major maintenance list that have been prioritized for the legislature. He expressed his surprise that the debt reimbursement program authorized over \$700 million in projects two years ago. He explained that the two proposals went together two years ago, and what is being asked now is, how would we move forward and fund grant projects for REAA's while funding debt projects. He concluded that this piece of legislation extends the debt program two additional years.

12:17:58 PM

REPRESENTATIVE THOMAS mentioned that the reason the school district in Haines got behind was the lack of money from the state over the years of rebuilding and remodeling schools.

REPRESENTATIVE SALMON asked Mr. Jeans how much time he needed to complete the analysis and if he was opposed to HB 13.

MR. JEANS said that the EED is required to provide a report back to the legislature next January. He stated that the EED is opposed to this bill.

REPRESENTATIVE GATTO clarified that the EED is opposed to the bill because the analysis is not complete.

MR. JEANS stated that he can't say whether the EED is opposed with the analysis. He expressed that the EED wants to complete the analysis so that a good recommendation can be provided to the legislature. He said that extending the debt reimbursement program for an additional two years without caps, will incur additional long-term liability on the State of Alaska.

REPRESENTATIVE GARA stated that the prioritization of school