

ALASKA LEGISLATURE COMMITTEE FILES 1987-1988 8672
5530 SSTA SB 383 - SB 442 1/02

Discussion and Implications

In summarizing the findings, it is apparent that drug-taking behavior is prevalent in varying degrees among the students responding to the questionnaire, and that changes in the pattern of drug use has taken place since the previous survey was undertaken in 1982. Increases have occurred in the use of some substances, some have appeared to stabilize, while others have decreased. Although marijuana continues to show the highest overall prevalence, experience with hallucinogens and inhalants have increased slightly, while cocaine has decreased. While the findings do suggest that the drug-taking behavior reported by the students can largely be described as experimental or infrequent use, a pattern of more frequent use is also evident. Of special interest in this pattern of use is that more females than males are involved in drug-taking behavior. Additionally, the present findings indicate a downward trend in age of initiation into drug use. Previous research (Segal, 1986) suggested that age 13 was the peak year for initiation into drugs, but the present findings indicate that age 12 now appears to be the critical year for initiation into drug use.

The prevalence of alcohol use was also high, and encompassed a wide range of different types of consumption, one of which is consistent with criteria indicating problem drinking among a small number of students. The extent of smoking is also high, having increased by 25 Percent since 1982.

The findings suggest that efforts are needed to reduce or minimize teenage involvement with chemical substances, tobacco products, drinking, and its associated negative consequences. Both direct and indirect strategies can be utilized to modify the situation. Direct strategies encompass drug education or prevention programs within the school setting that deal directly with the problem. Indirect strategies focus on modifying conditions believed to influence adolescents' behavior with respect to use of drugs. An example of an indirect strategy is a program to help students develop decision making skills useful in dealing with high risk situations. Such a program, however, needs to correspond to the point at which students are at a high risk for initiation into drugs, alcohol, or tobacco products. Based on the results of this study, a critical point would be at the grade level corresponding to age 11, one year before the first peak initiation period occurs.

In approaching the problem of preventing/minimizing the use of mood-altering substances, smoking or use of chewing/smokeless tobacco, and use of alcohol, it is important to take note that illicit drug use, smoking, and drinking, have become incorporated into the American lifestyle. Adolescents are thus, to a large extent, reflecting the value system of the larger society, and their behavior with respect to alcohol, drugs, and tobacco, can be

considered, to some extent, to be "normative" behavior. Many adolescents thus become involved with drugs in order to know what drug experience are like. Segal (1985-86) has shown that a major reason given by adolescents who try drugs is to experience the sensation that drugs provide. This does not diminish the need, however, to eliminate or reduce drug use among youth, particularly when other adolescents have reported that they used drugs to reduce stress (Segal, 1985-86), a motive that suggests that some adolescent drug users may be in need of help.

An effective way to combat the problem of drug use is a combination of both direct and indirect programs, in which the school and community cooperate on establishing an education/prevention program that is designed to meet common goals and objectives. A broadbased, community-wide approach, involving all elements of the community (parents, children, educators, police, governmental officials, counselors, etc.) is required to alleviate the problem of teenage smoking, drinking, and drug-taking behavior.

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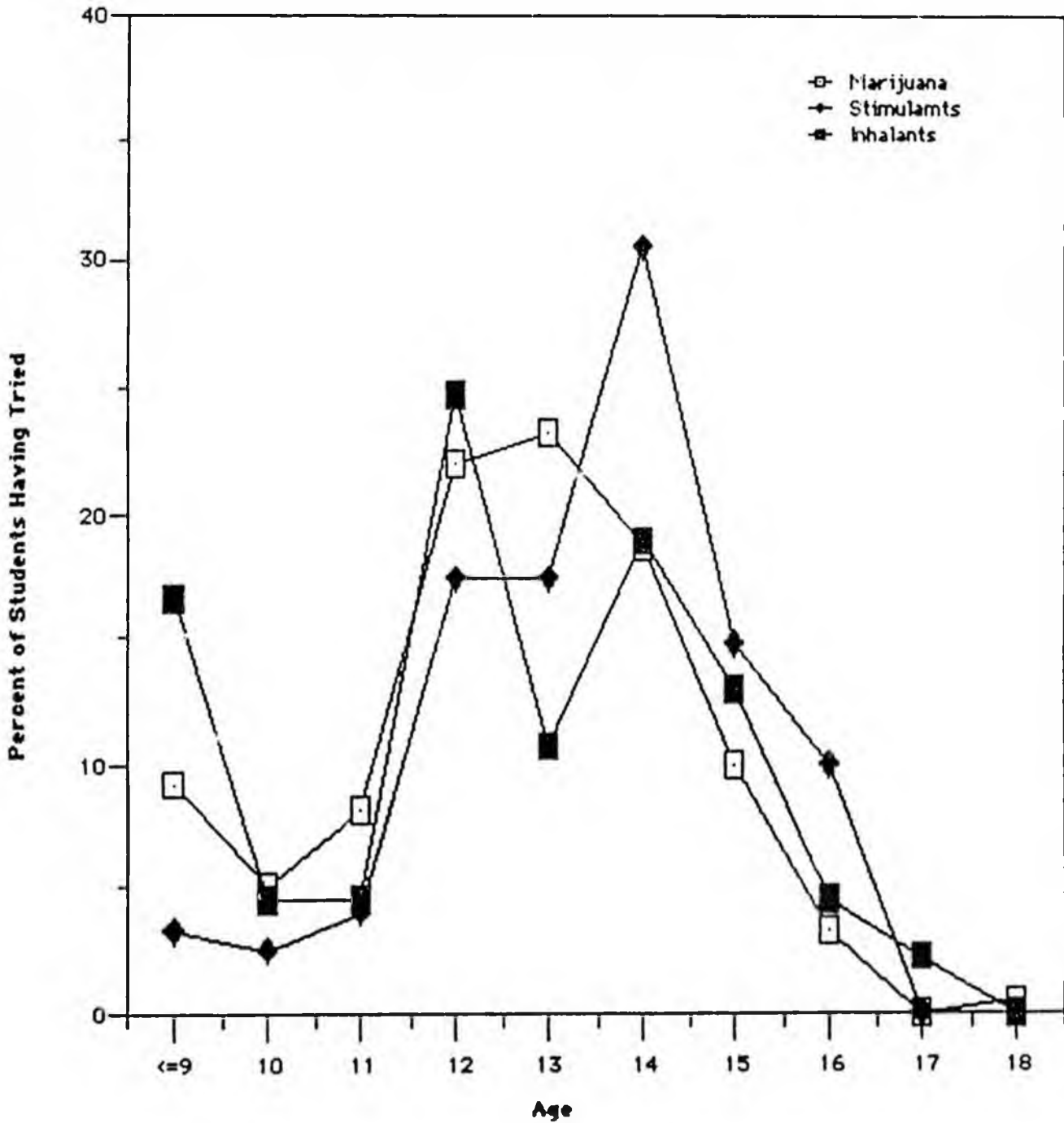
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Appendix A

Figure 6
Age of Initiation into
Marijuana, Stimulants, and Cocaine
Juneau School's
Grades 7-12
1987



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February 10, 1988

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RECEIVED
FEB 11 1988

The Honorable John E. Binkley
Alaska House of Representatives
Room 318 Capitol Building
Juneau, Alaska 99801

Re: Senate Bill No. 383 (Minor Consuming
and Driving Privileges -- "Use and Lose")

Dear Senator Binkley:

Due to some confusion regarding the time of the hearing held on February 8, 1988, regarding Senate Bill No. 383, I was unable to testify. Please include the enclosed testimony and attachments in the record and have your legislative assistant call me if further hearings are scheduled.

Sincerely yours,

COUNCIL & CROSBY

D. C. Crosby
David C. Crosby

Enc.

cc: Senator Mitch Abood
Senator Rick Uehling
Senator Jan Faiks
Senator Willie Hensley
Senator Joe P. Josephson
Senator Jalmer M. Kerttula
Senator Arliss Sturgulewski
Senator Rick Halford
Senator Patrick Rodey

TESTIMONY OF DAVID C. CROSBY

SENATE BILL 383 (MINOR CONSUMING AND
DRIVING PRIVILEGES -- "USE AND LOSE")

I am the parent of two teenagers, one of whom was diagnosed as alcohol dependent and drug abusive at age 14. I am a member of the City and Borough of Juneau School Board. Prior to my election in 1986, I served on a citizen committee that drafted drug and alcohol disciplinary regulations for the Juneau-Douglas High School. In March of 1987 I was appointed as the Co-Chair of the Juneau Blue Ribbon Commission on Youth, which was created by the Mayor and Assembly at the request of the Juneau Youth Advocates Coalition, of which I am also a member.

Before getting into the specifics of Senate Bill 383, I would like to supply the Committee with some background statistics. Attached to this letter is a brief summary taken from the magazine "Alaska Medicine," January-March 1987 issue. According to this source, Alaska youth ages 12 to 17 have an experimentation rate with marijuana twice the national average, cocaine nearly three times the national average, and alcohol roughly 10% higher than the national average. These statistics correlate with drug and alcohol surveys performed for the Juneau School District on an annual and five year basis.

The most recent five year summary from the University of Alaska indicates that use of illegal substances has increased by approximately 15% in Juneau over the last five years. Perhaps more ominously, the average age when experimentation begins has dropped from 13 to 12 over that same five year period.

In addition to the individual tragedies caused by this epidemic of drug and alcohol use by teenagers in Alaska, recent statistics from the State Office of Alcohol and Drug Abuse document that minors are involved in a disproportionately large number of serious automobile accidents where drug or alcohol use is the contributing cause. (Drivers under 21 constitute 7% of the driving public, but account for 14% of the serious drug and alcohol related accidents.)

I am also enclosing for the record a copy of a recent editorial and "My Turn" column published by the Juneau Empire. These articles discuss the impact of adolescent substance abuse in Juneau, including the recent tragic single-car automobile accident that left one high school student dead, one in a coma and one probably paralyzed for life.

As you may know, Representative Bill Hudson is also a member of the Juneau Blue Ribbon Commission on Youth. Representative Hudson has been instrumental in introducing, through the House HESS Committee, a version of the so-called "Use and Lose" law that is similar in many respects to Senate Bill 383. At a recent hearing held by the Juneau Blue Ribbon Commission on Youth, nearly all witnesses testified favorably in support of a Use and Lose law for Alaska. The Juneau Blue Ribbon Commission on Youth supports this approach, as does the Governor's Blue Ribbon Commission on Youth.

The objectives of the Use and Lose law, as I understand it, are twofold. First, the law would assist in removing from the highways a class of drivers who are responsible for a disproportionately high incidence of serious, drug and alcohol related highway tragedies. Secondly, the Use and Lose law sends a potent message to adolescents who are struggling with the decision whether to use drugs and alcohol. The Senate Bill, as presently drafted, would accomplish neither of these objectives.

Under Senate Bill 383, as presently drafted, a minor could be convicted twice of drug and alcohol related offenses and still receive his or her driver's license on his or her 16th birthday. This is a meaningless sanction,

for at least two reasons. First, the right to obtain a permit, which can only be used in the presence of an adult, is not nearly so significant as the right independently to operate a motor vehicle. It is the latter event that marks the division between the dependence of youth and the independence of adulthood in the minds of many adolescents.

Secondly, I submit to you that we already have a major problem of credibility in enforcing the criminal law with juveniles. Overworked prosecutors (in Juneau there are two prosecutors and three public defenders) do not charge what they regard to be as "insignificant offenses." If the prosecutors won't charge, sooner or later the police stop arresting. Testimony at the recent hearing held by the Blue Ribbon Commission on Youth suggests that this is precisely what is happening with the minor consuming laws in general. Juneau Superior Court Judge Walter Carpeneti advises me that he cannot recall seeing a prosecution for minor consuming in his years on the bench. The sanctions imposed in Senate Bill 383 are so trivial that neither police nor prosecutors will bother with enforcement.

I am also enclosing with this testimony a brief summary of Use and Lose laws from other jurisdictions. While these summaries are no substitute for a detailed analysis of the legislation from other jurisdictions, it nevertheless

suggests that Alaska would be unique in permitting a minor to be convicted of drug and alcohol related offenses and still receive a driver's license on his or her 16th birthday.

I realize that the House HESS version, which would defer or suspend the license privilege for one year or until the 17th birthday for the first offense, and until the 18th birthday for the second offense, may seem harsh or "punitive." It does send a message to the kids that we are very serious about drug and alcohol use by minors. We don't do the children any favors when we set up a system of rules that lacks credibility and that is so slow to impose meaningful sanctions that bad habits -- possibly even addicting habits -- have been permitted to take root before the child encounters any meaningful sanction from society. By that time, it is too late.

For those who are concerned about the harshness of the House Bill, I would suggest that both the House and Senate version give the judge some leniency to restore privileges. If this restoration were made contingent upon successful completion of drug and alcohol counseling, the harshness of the penalty could be mitigated, as it should be, by a showing of a good faith effort to correct the behavior that

is so dangerous to the child and the others who must share the highway with him or her.

Finally, the statistics received by the Juneau School District suggest that the starting age for juveniles affected by the law should be reduced to age 12 to correspond with the age when experimentation is most likely to begin.

To summarize, the Use and Lose concept holds perhaps the greatest promise for both deterring adolescent drug and alcohol use and for reducing drug and alcohol related traffic accidents by modifying the behavior or denying licenses to a class of drivers that is statistically more likely to be involved in serious drug and alcohol related traffic accidents than members of the driving public in general. In order to accomplish these worthwhile objectives, I suggest that the language of Senate Bill No. 383 be amended as follows:

1. Strike "13" and insert "12" in the first sentence of AS 28.15.185.

2. Strike "six months" and "14 and one-half" from AS 28.15.185(b)(1) and insert in their stead "one year" and "17."

3. Strike "15" in AS 28.15.185(b)(2) and insert "18."

4. Insert in AS 28.15.185(c) following "Upon petition of the person," the following language: "and upon proof of successful completion of an approved drug and/or alcohol counseling program,"

Thank you for affording me the opportunity to express my views on this vital piece of legislation. I would very much appreciate the opportunity to state my views in person, should the Committee hold additional hearings.

2-3-88

JUNEAU EMPIRE

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Local tragedy being addressed

Nothing is so tragic as a needless injury or loss of life, but that tragedy is even greater when it involves a young person. In Juneau, an increasing number of young people - our young people - are being hurt or killed or permanently injured.

The cause of this tragedy? It's not disease, or a natural disaster. It is the ready availability of drugs and alcohol to teen-agers.

That is one of the findings of the Juneau Blue Ribbon Commission on Youth, a group of concerned citizens that has been probing the complex and as-yet unresolved problems facing young people here.

Today, we are publishing a "My Turn" column written by David Crosby, a lawyer who is co-chair of the commission and a

ISSUE: Youth panel progresses toward solutions

member of the Juneau City-Borough Board of Education. It expresses better than any stack of statistics or studies the tragedy drug and alcohol abuse is working on our young people, how it is happening and some of the ways we might be able to stem its tide.

Do not misunderstand the message of this commission. All of our young people are not alcoholics or drug addicts. But the overwhelming prevalence of serious alcohol and drug abuse in our community demands our attention.

Recognizing the problem and formulating possible solutions is a giant leap, but the commission recognizes that the real progress will be made with action - in the Alaska Legislature, the Juneau City-Borough Assembly, the school board, the Juneau Police Department and all the way down to individual families. If each segment does its part, there is little doubt the community as a whole will be making a giant stride towards solving the problem.

The commission deserves the thanks of the community for its work so far, but its members recognize that much remains to be done.

The real celebration will come once the appropriate steps are taken and our young people are living better, more fulfilling lives.

MY TURN

By DAVID CROSBY

So what's wrong with Juneau? Members of the Juneau Blue Ribbon Commission on Youth asked that question of a cross section of local citizens—students and parents, teachers and religious leaders, business leaders and law enforcement officials, people who make a living providing services to kids. Natives and non-Natives. We got lots of interesting answers, ranging from lack of recreational facilities to "too many surveys" but in every group we polled, the number one concern was substance use and the easy availability of drugs and alcohol to our kids in Juneau. There weren't any close seconds, not even among the high school students we polled.

Well, you may say, everybody is concerned these days, and Juneau is no worse off than anywhere else. Not so. In part because the names of juveniles injured or arrested while under the influence are never published, the impact of what has been going on in this community is depersonalized. Often times the fact that drugs or alcohol are involved in a tragedy involving a minor is not reported in deference to the families of the victims.

My own unofficial tally from the two years I have been back in Juneau is as follows: The recent car accident left one dead, one in a coma, one paralyzed and one with serious internal injuries. Two deaths by drowning. These were kids who stumbled into the water and were too drunk to get themselves out. In both instances their friends were too far gone themselves to notice or render any effective assistance. One death by falling from a high tension tower. One male quadriplegic as a result of a motor vehicle accident while under

the influence.

Somewhat less dramatic, but nonetheless disturbing, I have carried a young, semi-conscious high school girl into the emergency room of Bartlett Memorial Hospital after she and a friend tried to down a bottle of vodka in 15 minutes. I have picked a young woman up off the highway and delivered her to the same emergency room after she stepped out of a moving vehicle on Egan Drive. The driver was charged with DWI. I know of two middle school students who went to the emergency room in alcohol induced comas after a recent party. If you have kids in middle school or high school and you keep your ears open, you know that my stories are just the tip of the iceberg.

Extend the definition of "youth" a little (but not much) and you have the young man whose body was thrown into Montana Creek by his own friends after he overdosed on cocaine. The poignant letter to the editor from that young man's mother hinted at what the mother of every drug or alcohol addicted child knows in her heart—there is a kind of living death that consists of watching what was once a bright, energetic, loving young person destroy him or her self, and for which the death of the child comes almost as a welcome release.

Teenage crime goes hand in hand with substance use. Steal from your parents. Steal from your friends. One young Juneau man narrowly escaped a murder charge when the gun he pointed at the liquor store owner failed to go off. He was living with an (only) slightly older companion who was charged with dealing cocaine. Arrests by the Juneau Police Department for violation of the drug laws

by juveniles jumped from 31 in 1985 to 77 in 1986. Arrests for violation of the liquor laws by juveniles jumped from 110 to 148 over the same period.

I'm staying within my two year time frame. Are you still listening? I moved to Juneau from a suburb of Seattle, where I lived for eight years across the street from the high school. In eight years in that town (Renton), I do not recall as many drug and alcohol related tragedies as I have seen in Juneau in just two.

Statistics for the State of Alaska suggest that one of every two students in Juneau will use marijuana before graduating from high school. (The national average is one in four). One in six will do the same with cocaine. (The national average is closer to one in twenty.) Three out of four kids will use alcohol by the time they graduate, which is slightly higher than the national average. One recently released study of Juneau students found a 15 percent increase in drug and alcohol use since 1982. The average age at which experimentation starts is now 11-12 years old (down from 13 five years ago).

Some of these kids, like those I just mentioned, will kill themselves quickly and by accident. Some will kill themselves deliberately. (Nine of ten adolescents who attempt or successfully commit suicide are harmfully involved with drugs or alcohol.) Some of them will kill others. Although minors in Alaska are only 7 percent of the drivers, they are responsible for 14 percent of the traffic deaths linked to substance use. Still others will just kill their dreams, or the dreams of those who love them.

Is there anything we can do about this? The Commission is looking at long range proposals that focus on

Youth, substance use, and the law

education and providing healthy alternatives to drugs and alcohol. We are also looking at the laws relating to substance use by juveniles. On Feb. 4, at 7 p.m. in the School District Conference Room, the laws subcommittee of the Blue Ribbon Commission on Youth will hold a hearing on substance use and related problems in Juneau and proposals for legal reform.

Among the most promising of reforms put forth to date is a so-called "use and lose" law. The concept is simple: use, possess or sell drugs or alcohol to a minor and the time when you can apply for a driver's license is put off — one year for the first conviction and another year for the second offense. For most kids the day on which they get their driver's license marks the passage from the status of a dependent child to that of an independent adult. It is, as most who read this will no doubt recall, the most long-awaited day of your short life. For kids who use drugs or alcohol because they think it is acceptable "adult" behavior, the "use and lose" law sends a potent message.

The Commission has also received numerous communications urging it to join school districts and other organizations concerned about adolescent substance use in calling for the recriminalization of marijuana. Locally, both the School Board and the Assembly have passed resolutions call for recriminalization.

Although state law currently forbids use or possession of marijuana by minors, the fact that state law legalizes possession and use for adults makes marijuana more readily available to all. Like liquor, smoking marijuana has become a litmus test of the adult status that adolescents

so desperately covet. Put a slightly different way, patterns of adolescent substance use tend to mirror use in the community as a whole. Kids are sensitively attuned to adult hypocrisy. As one high school student testified at hearings on the marijuana recriminalization bill last year, "If it's no good for me, it's no good for you." She may also have had in mind the converse of her own statement: "If it's good for you, it's good for me."

The Commission has received considerable evidence documenting the harmful effects of marijuana usage, especially upon developing adolescents. The so-called "Raven" decision, in which the Alaska Supreme Court found a constitutional right of privacy for adults to use and possess marijuana in their homes (notwithstanding federal laws prohibiting the same conduct), left the door ajar to a different result should advances in medical evidence suggest that the drug is more harmful than was generally believed a decade ago, when that case was decided. Many citizens now believe the case for recriminalization can and should be made. Juneau Rep. Bill Hudson, a Commission member, recently added his name to the list of co-sponsors of the bill to recriminalize marijuana.

Other citizens have expressed dismay and outrage at the apparent ease with which kids are able to obtain alcohol in Juneau. In a poll conducted by the high school newspaper a few years ago, of those students who drank (a majority of the school population), only 5 percent reported that availability was a problem. Alcohol is sold to minors not because it is difficult to determine who is a minor and who is not. It is sold because it is profitable. The kids quickly learn who checks ID and who does not, and give their not inconsiderable business accordingly.

Although it is illegal for a liquor licensee to sell to a minor, a violation of this provision is treated no more seriously than any other offense. Under current law, a liquor license may not be revoked until the third violation. There appears to be no legitimate reason for this tolerant atti-

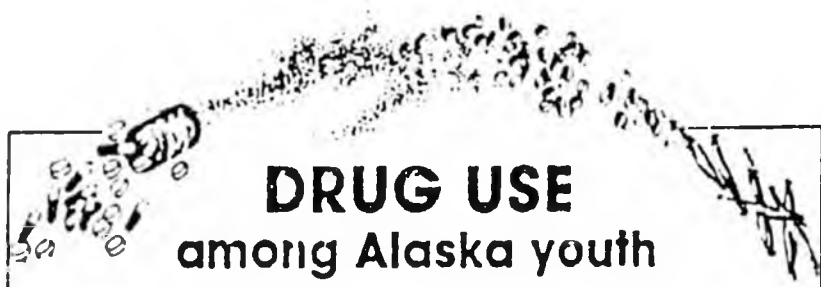
tude, when a simple check of the driver's license could provide a complete defense to prosecution.

The Commission has also received a copy of a Washington "keg law," requiring liquor store owners to record the names and addresses of persons purchasing kegs. All too often when police bust a keg party it is impossible to determine who purchased the alcohol given to the kids, and who sold it to them.

The Commission will also look at enforcement issues. Many citizens have observed that perhaps a better job could be done of policing areas where drugs are used and distributed by and to students, such as the graveyard and the small boat harbor across from the high school. "Sting" operations could and should be mounted against liquor store owners suspected of selling to kids. The Commission has received several complaints that police "bust" parties where drinking is evident, but simply issue verbal warnings. If true, this conduct on the part of the police sends a message that drinking by adolescents is acceptable — and expected, as long as it "doesn't get out of hand" — which, of course, it never does until someone climbs the high tension tower, or walks into the lake, or walks into the river, or crosses the median.

The Commission has received communications from some parents who, for very understandable reasons, might be unwilling to give public testimony. The Commission understands and respects this need for confidentiality. If you have information or an opinion that you would like to express to the Commission in confidence about adolescent substance use or related problems in Juneau, you may mail your testimony to the Juneau Blue Ribbon Commission on Youth, care of Rep. Bill Hudson, Pouch Y, Juneau, Alaska 99811. Otherwise, we hope that you will attend the public hearing on Feb. 4 at 7 p.m. at the School District Conference Room.

David Crosby is co-chair of the Blue Ribbon Commission on Youth and a member of the Juneau City-Borough School Board.



DRUG USE among Alaska youth

Percentage of Alaska, U.S. youth who have tried drugs

<u>Drug</u>	<u>Alaska youth ages 12-17</u>	<u>U.S. youth ages 12-17</u>
Marijuana	47.4	26.7
Hallucinogens	7.9	5.2
Cocaine	16.6	6.5
Heroin	2.3	0.1
Stimulants	25.9	6.7
Depressants	14.0	5.8
Tranquilizers	11.1	4.9
Alcohol	71.7	65.2
Tobacco	55.0	49.5

Source: Alaska Medicine, January-March
1987 issue

reducing juvenile drug arrests 22 percent by the end of 1984 and an additional 7 percent by the end of 1986. Open-container-in-vehicle violations were reduced 45 percent by the end of 1984 and an additional 19 percent by the end of 1986.

The most persuasive arguments in favor of the law's concept were:

- It helped youth by giving them a reason to say "no" which was acceptable to their peers
- It gave judges an effective tool to use in responding to drug violators
- In contrast to traditional prevention programs, this penalty program was nearly cost-free to the state
- It provided positive reinforcement to drug-free teenagers by maintaining their eligibility to drive
- It demonstrated society's commitment to fight drug use by taking firm legal action
- It provided an absolute consequence to drug violations
- The law supported parents, schools, and others fighting drug abuse

Passage of the law was not without struggle. Although opponents of the bill criticized it as harsh, and possibly in violation of the state constitution, use answered those criticisms. Oregon courts have upheld the law.

Public response to the law has been overwhelmingly positive. To obtain more information about the law, write to H. Wesley Smith, Assistant to the Superintendent, Greater Albany Public Schools, 718 Seventh Avenue, S.W., Albany, OR 97321 or telephone (503) 967-4515.

Oregon Denial Law Upheld

In April 1987, the Oregon Court of Appeals upheld that state's "Denial Law," which had been challenged on state constitutional grounds. In affirming the constitutionality of the statute, the court held that:

- The law meets its two intended goals—deterrence of drug and alcohol possession and use and promotion of highway safety; and
- A teenager's interest in possessing a driver's license is outweighed by the state's goals in this instance.

The court also rejected the claim that enforcement of the law constituted cruel and unusual punishment, that it treated minors unconstitutionally as a "suspect class," and that the license suspension penalty is out of proportion to more serious conduct.

The statute also survived an earlier court challenge based on arguments that it denied students their rights to equal protection under the state constitution.

States Follow Oregon's Lead

Several states have been actively considering proposals similar to Oregon's "denial" law. Here's a progress report from around the country:

New Jersey's new anti-drug law, effective since July 1987, contains provisions that relate drug use to driving privileges. New Jersey minors face a \$550 fine and a 6-month license suspension if caught with even one marijuana cigarette. Students found in possession of drugs before receiving a driver's license will have to wait 6 months past the normal date of eligibility before applying for a driver's license.

Missouri students will be subject to provisions of that state's new "abuse and lose" law scheduled to take effect on September 28, 1987. In Missouri, students under age 21 who are convicted of drunk driving or drug violations stand to lose their driving privilege for 1 year. Those under 16 would face a 1 year suspension beginning on their 16th birthday. These strict penalties also apply to students convicted of falsifying identification cards or carrying such cards.

The **California** legislature is considering a bill that would suspend or delay driving privileges of residents under 21 who are convicted of drug violations. Conviction for any drug or alcohol violation would result in a mandatory 1-year suspension of driving privileges for those with licenses. Students under 16 would be penalized by delaying their eligibility to drive for 1 year. The bill passed the California Senate by a vote of 21 to 4 and has been forwarded to the Assembly for further consideration.

In **Georgia**, Representative Thomas E. Wilder has introduced a bill in the General Assembly to deny auto licenses until the age of 17 to persons convicted of misdemeanors while under the influence of alcohol or drugs.

Wilder plans to seek passage of the bill in the next session of the General Assembly.

SB 383

PROPOSED AMENDMENTS:

- #1: Delete words "suspension and" from first line of bill title since the bill only addresses revocation.

- #2: Delete entire Section 1 of the bill. This section is unnecessary and is a carry-over from draft of a previous bill which changed revocation time periods for persons 13 thru 17 years of age when convicted of offenses specified in this section. This bill does not change those revocation time periods, thus amendments specified in section 1 are not necessary.

- #3: On page 4, line 23, after word "offenses", add "and driver's license action taken under AS 28.15.185". If we are required to seal the record when the individual becomes 18 years of age, it would prevent enforcement of revocation at that time. The result being a 17 year old convicted or adjudicated for a second or subsequent offense would never be revoked for the full time period outlined in proposed AS 28.15.185(b)(2) because the record of the revocation would no longer appear, and the individual could obtain a driver's license.

Bill Brown 465-4335
Division of Motor Vehicles
Department of Public Safety
February 8, 1988

Senator John Binkley

Senate Finance Committee
P.O. Box V • Juneau, Alaska 99811 • (907) 465-4985

Finance Committee
Co-Chairman

February 8, 1988

RECEIVED
FEB 8 1988

The Honorable Mitch Abood
Chairman, State Affairs Committee
Alaska State Senate
P. O. Box V
Juneau, AK 99811

FOR HAND DELIVERY

Dear Senator Abood:

Today before your committee, you will be considering SB 383, relating to suspension and revocation of a minor's license to drive. I would like to offer the following comments on the bill for the consideration of you and the other committee members.

This bill would revoke or delay a minor's driver's license or permit, or their ability to obtain either, if the minor is convicted of possession or consumption of alcohol or abuse involving a controlled substance. For the first offense, the revocation/delay would be for 6 months, or until the minor reaches the age of 14-1/2, whichever is longer. For second and subsequent offenses, the revocation/delay would be for one year or until the minor is 15 years of age, whichever is longer. The bill covers minors who are at least 13 years old but not older than 17 (in other words, up through the end of their 17th year).

There is a provision which allows for the court to reinstate the license or permit after one-half of the sentence has elapsed upon petition by the minor. In other words, after 3 months for the first conviction and after 6 months for second and subsequent convictions, the minor may address the court to have his license restored. This will have the effect of making the young person sit down and think about what he has done and just what role driving plays in his life vis a vis his use of drugs or alcohol.

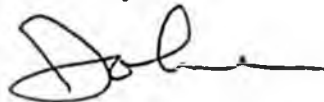
Because neither offense is a traffic violation, Section 2(d) (page 3, line 6) exempts minors who lose their licenses under this bill from having to file proof of financial responsibility with the Department of Public Safety, commonly called an SR-22. Proof of financial responsibility is required to be filed with the Department by the insurance company anyone who has had an accident or serious moving violation, and precedes the State's mandatory insurance laws.

The Honorable Mitch Abood
February 8, 1988
Page Two

The SR-22 shows that the person does have insurance and requires the company to give the Department 30 days notice before it cancels the insurance for any reason, including non-payment. An SR-22 has the effect of driving up the cost of insurance for the insured, plus there is about a \$100 filing fee charged by the insurance company. It was our desire to keep the financial burden on the minors as light as possible.

Driving is a privilege and must be recognized as such. It requires sound judgment and adherence to laws. Possession or consumption of alcohol and drugs is illegal for minors. This bill does not create a new crime; it simply sets a penalty for a violation, the commission of which indicates lack of sound judgment and disregard for the laws. I would appreciate your favorable consideration of this piece of legislation.

Sincerely,



Senator John Binkley
Yukon-Kuskokwim and
Interior Rivers

jka


Senator John Binkley

Senate Finance Committee
P.O. Box V • Juneau, Alaska 99811 • (907) 465-4985

Finance Committee
Co-Chairman

MEMORANDUM

January 26, 1988

TO: Senator Mitch Abood
FROM:  Senator John Binkley
RE: Revocation of a Minor's License to Drive

RECEIVED
JAN 26 1988

Attached you will find a bill I will be introducing this week that will suspend or revoke a minor's license to drive, instructional permit, or his ability to obtain the same if the minor is convicted or adjudicated in juvenile court of:

- 1) possession or consumption of alcohol, or
- 2) misconduct involving a controlled substance.

This bill covers minors who are at least 13 but who have not reached their 18th birthday. For the first conviction, the revocation/suspension will be for 6 months or until the minor reaches 14-1/2 years of age, whichever is longer. For the second and subsequent convictions, it will be for one year or until the minor reaches 15 years old, whichever is longer.

The Court may restore the license after 3 months for the first conviction and 6 months for the second and subsequent convictions. The Court records on these convictions will be sealed when the minor reaches 18 as is the norm.

Since neither offense is a moving violation, this bill exempts minors so convicted of having to file proof of financial responsibility (SR-22) with their insurance company.

The idea behind this piece of legislation is to get the attention of kids who are convicted of these two offenses, and there is probably nothing more important to a high schooler than his or her driver's license.

I would welcome your co-sponsorship on this bill. If you have any questions, or would like to add your name, please call Janice Adair of my staff (4985) by the close of business Thursday, January 28.

SB 383

2/8/88
2:50p

LINDA ADAMS

ALASKA FOR DRUG FREE YOUTH

KETCHIKAN

- SUPPORTS INCREASING WITHDRAWAL OF LICENSE FROM 6 MONTHS TO 1 YEAR.
- OREGON HAS A LAW ON THE BOOKS THAT TAKES IT AWAY FOR 1 YEAR - IT HAS PROVEN TO BE VERY EFFECTIVE AND IS ESTABLISHED IN THE COURTS

WANTED TO MAKE CERTAIN COMMITTEE
KNEW OF THIS ~~ORIG~~ OREGON PROVISION
! ITS EFFECTIVENESS

aka

1
2 IN THE SENATE

BY BINKLEY

3 SENATE BILL NO.

4 IN THE LEGISLATURE OF THE STATE OF ALASKA

5 FIFTEENTH LEGISLATURE - SECOND SESSION

6 A BILL

7 For an Act entitled: "An Act relating to suspension and revocation of a
8 minor's license to drive and the definition of driv-
9 er's license; and providing for an effective date."

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

11 * Section 1. AS 28.15.181(c) is amended to read:

12 (c) Except for court revocation of a minor's license to drive
13 under AS 28.15.185, a [A] court convicting a person of an offense
14 described in (a)(5) or (8) of this section arising out of the opera-
15 tion of a motor vehicle for which a driver's license is required shall
16 revoke that person's driver's license as provided in this subsection.
17 The revocation may be concurrent with or consecutive to an administra-
18 tive revocation under AS 28.15.165. The court may not, except as
19 provided in (e) of this section, grant limited license privileges for
20 the following periods:

21 (1) not less than 90 days if, within the preceding 10
22 years, the person has not previously been convicted of an offense

23 (A) described in (a)(5) or (8) of this section; or

24 (B) under a law or ordinance in another jurisdiction
25 with elements substantially similar to an offense described in
26 (a)(5) or (8) of this section;

27 (2) not less than one year if, within the preceding 10
28 years, the person has been previously convicted of one offense

29 (A) described in (a)(5) or (8) of this section; or

(B) under a law or ordinance in another jurisdiction

1 with elements substantially similar to an offense described in
2 (a)(5) or (3) of this section;

3 (3) not less than 10 years if, within the preceding 10
4 years, the person has been previously convicted of more than one of
5 the following offenses or has more than once been previously convicted
6 of one of the following offenses:

7 (4) an offense described in (a)(5) or (3) of this
8 section; or

9 (5) an offense under another law or ordinance in
10 another jurisdiction with elements substantially similar to an
11 offense described in (a)(5) or (3) of this section.

12 * Sec. 2. AS 23.15 is amended by adding a new section to read:

13 Sec. 23.15.195. COURT REVOCATION AND RESTRICTION OF A MINOR'S
14 LICENSE TO DRIVE. (a) A person who is at least 13 years of age, but
15 not older than 17 years of age who is convicted, or adjudicated by a
16 juvenile court, of misconduct involving a controlled substance under
17 AS 11.71 or possession or consumption of alcohol under AS 04.16.050
18 shall have the person's driver's license revoked under (b) of this
19 section.

20 (b) The court shall impose the revocation required under (a) of
21 this section as follows:

22 (1) for a first conviction or adjudication, the revocation
23 shall be for six months or until the person reaches 14 and one-half
24 years of age, whichever is longer;

25 (2) for a second or subsequent conviction or adjudication,
26 the revocation shall be for one year or until the person reaches 15
27 years of age, whichever is longer.

28 (c) Upon conviction or adjudication of an offense listed in (a)
29 of this section the court may, upon petition of the person, review the

revocation and may restore the driver's license, except a court may not restore the driver's license for a period of

(1) 90 days for the first conviction or adjudication;

(2) 180 days for second or subsequent convictions or adjudications.

(d) Notwithstanding the provisions of AS 18.10.040 and 18.10.050, upon conviction of an offense specified in (a) of this section, the department may not require proof of financial responsibility before restoring or issuing the person's driver's license.

* Sec. 3. AS 18.40.100(a)(5) is amended to read:

(5) "Driver's license" or "license" when used in relation to driver licensing, means a license, permit, or privilege to obtain a driver's license, whether or not a person holds a valid license issued in this or another jurisdiction, to drive a motor vehicle under the laws of this state;

* Sec. 4. AS 47.10.080(g) is amended to read:

(g) Except for purposes of driver's licensing under AS 18.15.185, an [NO] adjudication under this chapter upon the status of a child may not operate to impose any of the civil disabilities ordinarily imposed by conviction upon a criminal charge, nor may a minor afterward be considered a criminal by the adjudication, nor may the adjudication be afterward deemed a conviction, nor may a minor be charged with or convicted of a crime in a court, except as provided in this chapter. The commitment and placement of a child and evidence given in the court are not admissible as evidence against the minor in a subsequent case or proceedings in any other court, nor does the commitment and placement or evidence operate to disqualify a minor in a future civil service examination or appointment in the state.

* Sec. 5. AS 47.10.090(a) is amended to read:

1 (a) The court shall make and keep records of all cases brought
2 before it. The court's official records may be inspected only with
3 the court's permission and only by persons having a legitimate inter-
4 est in them. All information and social records pertaining to a minor
5 and prepared by an employee of the court or by a federal, state or
6 city agency in the discharge of the employee's or agency's official
7 duty, are privileged and may not be disclosed directly or indirectly
8 to anyone without the court's permission, except for traffic offenses
9 and driver's license action taken under AS 28.15.185. Traffic of-
10 ferences and driver's license action may not be disclosed without the
11 court's permission, except as specified in AS 28.15.151. However, a
12 state or city law-enforcement agency shall disclose information re-
13 garding a case which is needed by the person or agency charged with
14 making a preliminary investigation for the information of the court.
15 The court shall forward a record of adjudication of a violation of an
16 offense listed in AS 28.15.185(a) to the Department of Public Safety.
17 Within 30 days of the date of a minor's 18th birthday or, if the court
18 retains jurisdiction of a minor past the minor's 18th birthday, within
19 30 days of the date on which the court relinquishes jurisdiction over
20 the minor, the court shall order sealed all the court's official
21 records, information and social records pertaining to that minor, as
22 well as records of all criminal proceedings against the minor and
23 punishments assessed against the minor except for traffic offenses. A
24 person may not use these sealed records for any purpose except that
25 the court may order their use for good cause shown or may order their
26 use by an officer of the court in making a presentencing report for
27 the court.

28 * Sec. 6. This Act takes effect September 1, 1988.
29

S B

387

SENATE COMMITTEE REPORT

FIRST COMMITTEE OF REFERRAL

Date of 2-3-88 5-DAY NOTICE
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER: Finance

**FISCAL NOTE(S) ATTACHED **
IN ACCORDANCE WITH AS 24.08.035
(see below)

2/3/88
Mr. President:

DATE TURNED INTO OFFICE 2/11/88

State Affairs Committee considered SB 387

relating to contributions from permanent fund dividends for the
Iditarod Trail Committee, Inc.; efd

and recommended:

replace with CS SB 387 (SA) same title
 attached amendment(s) and new title

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

letter of intent adopted _____

** Committee attached or adopted fiscal note(s)
 zero fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

Rich Kelly

Greg Johnson

Don [Signature]
Chairman signature and recommendation

Committee Backup Attached

FISCAL NOTE

REQUEST

Revision Date: _____
Title: Contributions from PFD's to
Iditarod Trail Committee, Inc.
Sponsor: Hennley, et al
Requestor: Senate State Affairs

Agency Affected: Revenue
BRU: Permanent Fund Dividend Division
Components: Permanent Fund Dividend
Division

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
OPERATING						
PERSONAL SERVICES		21.2	11.2	11.2	11.2	11.2
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	11.0	11.0	11.0	11.0	11.0
SUPPLIES	-	.2	.2	.2	.2	.2
EQUIPMENT	-	-	-	-	-	-
LANDS & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	-	32.4	22.4	22.4	22.4	22.4
CAPITAL	-	-	-	-	-	-
REVENUE	-	-	-	-	-	-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	32.4	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER (trust acct)	-	-	22.4	22.4	22.4	22.4
TOTAL	-	32.4	22.4	22.4	22.4	22.4

POSITIONS:

FULL-TIME	-	-	-	-	-	-
PART-TIME	-	3	2	2	2	2
TEMPORARY	-	-	-	-	-	-

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

Prepared By: Ervin Jones
Division: Permanent Fund Dividend Division

Phone: 465-2323
Date: 2/10/88

Approved by Commissioner: [Signature]
Agency: Revenue

Date: 2/10/88

Distribution (by preparer):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

Department of Revenue
Permanent Fund Dividend Division
Fiscal Note Analysis
SB 387
2/10/88

Assumptions:

- 1) The bill will take effect for the 1989 permanent fund dividend year and application. The 1988 dividend application has already been printed.
- 2) There are seventeen other bills which if signed into law, would result in some form of "check-off" on the 1989 dividend application. The Department of Revenue has no insight as to which, and how many, of these bills will become law. This fiscal note, and all related fiscal notes, is prepared on the assumption that the subject bill is the only bill of this nature which will become law. The passage of multiple bills with varying formulas (\$5, \$25, half of dividend, all or part of dividend, etc.) will inevitably have a compounding effect. Whereas there may be savings in some areas, there will be increased costs in others.
- 3) All FY89 costs of administering this law will be borne by the general fund, since no funds will be available to the trust party account until October 1, 1989. Funding for administrative costs in FY90 and thereafter will be taken from the political party account as appropriated by the legislature.
- 4) The incremental cost of computer resources will result in a chargeback by the Department of Administration.
- 5) Whereas the cost of programming changes will be a one-time cost, the cost of document review, data capture, data processing chargeback, and the extra page in the dividend application will be continuing.
- 6) Contributions will only be honored to the extent of available funds. Garnishments and assignments will take precedence in the order established by statute. Contributions will then be honored in the order listed on the form schedule, which will be in the order they become law.

Program Summary:

The provision of a new contribution decision on the dividend application will cause additional administrative cost in several areas:

- a) An additional page added to each application, a schedule of contribution decisions.
- b) The computer system will need to be changed to account for the change in the program, to establish new accounting controls and to provide for the transfer of funds to the trust account (see Attachment A).

- c) Each of approximately 540,000 PFD applications will need to be visually reviewed and coded as to decision on the contribution decision. Each application will be data captured with additional attention and keystrokes expended on each positive decision.
- d) The accounting for the political party account will be performed by existing staff in the Fiscal Section of Administrative Services.

1. Positions

1 PPT Analyst/Programmer V, R21
 @ \$4,999.72/Mo including salary
 and benefits for 2 months = \$10.0

PCN 04-1125 would be funded for an additional two months, in accordance with Attachment A. Ongoing maintenance of new programs would be accomplished by existing staff.

1 PPT Document Processor I, R7
 @ \$2,212.37/Mo, including salary and
 benefits for 3 months - \$6.6

This position would assist in the manual review and coding of 540,000 applications for the new contribution decision. This position represents the equivalent of the additional time and effort.

1 PPT Data Processing Clerk I, R8,
 @ \$2,317.81/Mo, including salary and
 benefits for 2 months = \$4.6

This position would assist in the data capture of the additional contribution decisions. The position represents the equivalent value of the additional time and effort.

TOTAL Personal Services \$21.2

2. Other Expenditures:

a) Travel: None.

b) Contractual:

Data Processing Chargeback \$5.0
 Add additional page to PFD
 booklet \$6.0

c) Supplies: \$0.2

d) Equipment: Use existing equipment 0.0

TOTAL COST \$32.4

3. Funding: General Fund.

4. Section Cost Analysis: N/A.

Computations: N/A.

Economic Impact: N/A.

Impact on Local Government: N/A.

Suggested Amendments: none

Attachments: Attachment A "Summary of DP Needs"

Department of Revenue
Permanent Fund Dividend Division
Fiscal Note Analysis
SB 387
Summary of Data Processing Requirements
4/10/88

Wang data entry processing	75.0 hours
Includes:	Data entry Batch lists Corrections Wang to IBM transfer
IBM Update jobs	30.0 hours
Includes:	Edits Batch listings Log sheets
DMS Online programs for lookup and changes	37.5 hours
Nightly Update of Changes	22.5 hours
Warrant Jobs	90.0 hours
Includes:	Printing warrants with different amounts. Include check stub messages. Modify warrant registers as needed for balancing. Create new program(s) for transferring accumulated contributions to the trust account, and to account for the reserve necessary due to returned and cancelled PFD warrants.
Miscellaneous	45.0 hours
Includes:	Setting up test files on IBM Systems testing Administrative functions, i.e. paper work required by Admin. DP to add files and programs to tables.
TOTAL HOURS	300.0 hours

SB

402

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FEB 29 1988

Position Paper

SB 402

For an Act entitled: "An Act relating to contributions from permanent fund dividends for the Alaska Cancer Research Foundation; and providing for an effective date."

SB 402 would allow recipients of Alaska permanent fund dividends to contribute, through a check-off system on the application form, \$5.00 to the Alaska Cancer Research Foundation.

Background

The Alaska Cancer Research Foundation is a nonprofit organization intended to promote research and knowledge of cancer in Alaska. The foundation does not currently receive state funding.

Position

The Department of Health and Social Services supports SB 402 conditionally. If the number of organizations that can receive contributions through the permanent fund application check-off system is expanded, inclusion of the Alaska Cancer Research Foundation among the potential recipients would be appropriate.

Recommended by: Elizabeth Ward
Elizabeth Ward, M.N.
Director
Division of Public Health

Date: February 17, 1988

Approved by: Myra M. Munson
Myra M. Munson
Commissioner
Department of Health and
Social Services

Date: Feb 23, 1988

FISCAL NOTE

REQUEST:

Revision Date: 2/10/88
Title: An Act relating to contributions from permanent fund...
Sponsor: Binkley and Zharoff
Requestor: _____

Agency Affected: Health & Social Services
BRU: State Health Services
Components: Public Health Administration

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

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

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

FUNDING: (Thousands of Dollars)

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

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

The enactment of SB 402 would have no direct fiscal impact on the Department of Health and Social Services.

Prepared by: Elizabeth Ward, Director *Elizabeth Ward* Phone: 465-3090
Division: Public Health Date: 2-17-88

Approved by Commissioner: Moya M. Merson *Moya M. Merson* Date: 2-23-88
Agency: Department of Health & Social Services

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

SB

4106

Testimony of Sen. Dick Eliason

SB 406 "Relating to contributions from permanent fund dividends: and providing for an effective date."

Nearly 20 bills have been introduced so far by this Legislature proposing various check-off donations on permanent fund dividend applications. It is unfair and ineffecient to handle the question of check-offs in such an arbitrary fashion, one proposal at a time, and without opportunity to weigh the merits of one charitable cause against another.

There are good non-profit organizations being proposed to receive this funding assistance, but many many more are not yet in the hopper. There is no logic and equity in allowing a few randomly selected entities to be listed on dividend applications while others of perhaps equal or higher need and worth are not.

SB 406 proposes to simply allow any nonprofit corporation which is incorporated in Alaska the opportunity to be included as a check-off option on the dividend application. It sets up a mechanism whereby nonprofits may submit a request to the Department of Revenue to be included in the list which will accompany the dividend applications when they are mailed out to the public.

The dividend applicant may then choose to donate \$10 from their dividend to one or more of the causes listed, or to none of them. If the applicant chooses more donations than his or her dividend will cover, the Department simply voids the donations of that application and the applicant will receive the full amount of the dividend. This protects the Department from having to make decisions about which check-offs to honor if too many are chosen, or from having to contact the applicant to re-do the application.

The costs of administering this check-off program are to be taken off the top of the proceeds of the donations made. The Department will promulgate regulations to spell out how the costs will be distributed among the recipients of the check-off donations.

Again, if we are going to have charitable check-offs in the dividend program, access to that funding source ought to be equal for all nonprofits in Alaska. Either we should pass none of the check-off bills, or we should pass SB 406.

	Code	Short Title	Code	Short Title
	3316	Cold finishing of steel shapes	345	Screw Machine Products, Bolts, etc.
	3317	Steel pipe and tubes	3451	Screw machine products
	332	Iron and Steel Foundries	3452	Bolts, nuts, rivets, and washers
r Goods	3321	Gray iron foundries	346	Metal Forgings and Stampings
s	3322	Malleable iron foundries	3462	Iron and steel forgings
	3324	Steel investment foundries	3463	Nonferrous forgings
	3325	Steel foundries, nec	3465	Automotive forgings
	333	Primary Nonferrous Metals	3466	Crowns and closures
S PROD-	3331	Primary copper	3469	Metal stampings, nec
	3332	Primary lead	347	Metal Services, nec
	3333	Primary zinc	3471	Plating and polishing
	3334	Primary aluminum	3479	Metal coating and allied services
	3339	Primary nonferrous metals, nec	348	Ordnance and Accessories, nec
or Blown	334	Secondary Nonferrous Metals	3482	Small arms ammunition
	3341	Secondary nonferrous metals	3483	Ammunition, exc. for small arms, nec
	335	Nonferrous Rolling and Drawing	3484	Small arms
	3351	Copper rolling and drawing	3489	Ordnance and accessories, nec
	3353	Aluminum sheet, plate, and foil	349	Misc. Fabricated Metal Products
	3354	Aluminum extruded products	3493	Steel springs, except wire
	3355	Aluminum rolling and drawing, nec	3494	Valves and pipe fittings
	3356	Nonferrous rolling and drawing, nec	3495	Wire springs
	3357	Nonferrous wire drawing & insulating	3496	Misc. fabricated wire products
	336	Nonferrous Foundries	3497	Metal foil and leaf
	3361	Aluminum foundries	3498	Fabricated pipe and fittings
	3362	Brass, bronze, and copper foundries	3499	Fabricated metal products, nec
	3369	Nonferrous foundries, nec		
	339	Miscellaneous Primary Metal Products	35	MACHINERY, EXCEPT ELECTRICAL
	3398	Metal heat treating	351	Engines and Turbines
	3399	Primary metal products, nec	3511	Turbines and turbine generator sets
			3519	Internal combustion engines, nec
	34	FABRICATED METAL PRODUCTS	352	Farm and Garden Machinery
Products	341	Metal Cans and Shipping Containers	3523	Farm machinery and equipment
	3411	Metal cans	3524	Lawn and garden equipment
	3412	Metal barrels, drums, and pails	353	Construction and Related Machinery
	342	Cutlery, Hand Tools, and Hardware	3531	Construction machinery
	3421	Cutlery	3532	Mining machinery
	3423	Hand and edge tools, nec	3533	Oil field machinery
	3425	Hand saws and saw blades	3534	Elevators and moving stairways
	3429	Hardware, nec	3535	Conveyors and conveying equipment
oducts	343	Plumbing and Heating, Except Electric	3536	Holsts, cranes, and monorails
	3431	Metal sanitary ware	3537	Industrial trucks and tractors
	3432	Plumbing fittings and brass goods	354	Metalworking Machinery
ervices	3433	Heating equipment, except electric	3541	Machine tools, metal cutting types
	344	Fabricated Structural Metal Products	3542	Machine tools, metal forming types
	3441	Fabricated structural metal	3544	Special dies, tools, jigs & fixtures
	3442	Metal doors, sash, and trim	3545	Machine tool accessories
nec	3443	Fabricated plate work (boiler shops)	3546	Power driven hand tools
	3444	Sheet metal work	3547	Rolling mill machinery
IES	3446	Architectural metal work	3549	Metalworking machinery, nec
Products	3448	Prefabricated metal buildings	355	Special Industry Machinery
	3449	Miscellaneous metal work	3551	Food products machinery

Do You Have Cash In The Alaska Unclaimed Property Trust Fund?

If your name is in this publication, you may have \$50 or more coming to you from the State of Alaska.

CALL (907) 465-GOLD TO FIND OUT.

Each year banks and other businesses turn over to the State of Alaska accounts that have been inactive for three years or more. This year more than \$900,000 has been reported to the Alaska Department of Revenue. This includes accounts of \$50 or more for approximately 3,500 shareholders, royalty owners and safe deposit box owners. Owners of accounts with less than \$50, as well as names reported in previous years, are on file with the Department of Revenue.

If this money is not claimed, it helps pay for Alaska schools, airports, roads, and government services. All Alaskans benefit!

The Department of Revenue wants to reunite as many people as possible with their money. So please check the list carefully. Look for your name under the city where you may have lived two or more years ago.

If you want to file a claim, or if you have questions, please call this number in Alaska:

(907) 465-4653 (8 a.m. - 4:30 p.m., M - F)

Alaska has the money.

The Department of Revenue is looking for the people.

WHAT IS THE ALASKA UNCLAIMED PROPERTY TRUST FUND?

The Alaska Unclaimed Property Trust Fund holds money, stock and safe deposit contents that have been turned over to the State of Alaska by banks and corporations from their accounts which have been inactive for five years or more. These businesses have an obligation to try to locate the owner of dormant accounts or property. When efforts to locate the owner fail, the unclaimed money is then turned over to the State.

DO I HAVE TO PAY A FEE TO GET MY MONEY BACK?

No! If the Department of Revenue is holding your money, you do not have to pay a fee of any kind. This is a public service we provide.

WHAT HAPPENS TO MONEY NEVER CLAIMED BY THE OWNER?

Although the Department of Revenue often is successful in reuniting people with their money, many owners are never located. Some may have moved to another state. Others may feel the amount involved simply is not enough to file a claim. And in some cases, the owner has died leaving no heirs. The money that is never claimed benefits all Alaskans. Last year, about \$2.9 million in unclaimed property was placed in the general fund.

HOW DOES THE DEPARTMENT OF REVENUE MAKE SURE ALL UNCLAIMED PROPERTY IS REPORTED?

We place a great deal of emphasis on voluntary compliance. And most businesses want to comply.

We also conduct seminars with them to help them identify all unclaimed property that should be reported.

WHAT PROPERTY IS COVERED BY THE LAW?

The law defines property as money, stocks, bonds, accrued interest, purchase payments, unclaimed refunds, inactive accounts, and similar items. The most common types of property reported to the Department include:

- dormant checking and savings accounts
- uncashed money orders, cashiers checks and travelers checks
- unclaimed insurance benefits
- mineral royalties
- abandoned safe deposit boxes
- unused gift certificates
- unclaimed security deposits
- credit balances on dormant charge accounts
- cash dividends
- stock

Any bank or corporation which holds money or property after it has been unclaimed, inactive or abandoned for the applicable dormancy period must file a report with the Department of Revenue.

HOW CAN I FIND OUT IF THE DEPARTMENT OF REVENUE HAS MY MONEY?

Check the 1986 list in this publication to see if your name is included. The Department also maintains other files of every reported owner of unclaimed property. If you are not on this list, but have reason to believe that your unclaimed property may have been turned over to the State in the past, we'll check our records for you. It is never too late to file a claim.

WHAT IS A FEE FINDER?

A fee finder may also be called an heir finder or a locator. Whatever the name, this is a person or agency who charges a fee for helping owners of abandoned property receive their monies. The fee is usually a percentage of the money due the owner. Under Alaska law, a fee finder may not enforce a contract with an owner of unclaimed property for a period of two years after the property has been turned over to the State. (AS 34.45.700)

DO I NEED TO USE A FEE FINDER?

No. If your name is on this list, call (907) 465-GOLD. There is no fee or commission.

HOW TO FILE A CLAIM.

If your name is on this list, or if you have reason to believe the Department may be holding funds for you, you must file a claim to get your money back.

The law requires the Department of Revenue to verify your claim to the property. That's why we ask for proof of ownership. For bank accounts, provide a copy of your current driver's license, or other picture identification showing your social security number and signature. Your claim can be processed faster if you also provide copies of bank statements or cancelled checks. Documents proving ownership for other types of property are easily obtainable and we'll let you know what you need to present to us along with your claim.

If you want to file a claim, we'll send you a form. Just call the Alaska Unclaimed Property Trust Fund number: (907) 465-4653. Or write to the Department of Revenue, Income and Excise Audit Division, Unclaimed Property Section, P.O. Box 5A, Juneau, Alaska 99811-0400.

S B

4 1 4

SENATE COMMITTEE REPORT

FIRST COMMITTEE OF REFERRAL

Date of 2/24/88 5-DAY NOTICE
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER: L&C

Int. TRADE

**FISCAL NOTE(S) ATTACHED **
IN ACCORDANCE WITH AS 24.08.035
(see below)

2/11/88

DATE TURNED INTO OFFICE 3/14/88

Mr. President:

State Affairs

Committee considered SB 414

foreign trade zones; efd

and recommended:

[] replace with CS _____ [] same title
[] attached amendment(s) and [] new title

[X] do pass

[] do not pass

[] no recommendation

[] individual recommendations

[] further referral to _____

[] letter of intent adopted and attached

** Committee attached or [] adopted fiscal note(s)
 zero [] fiscal impact

MEMBERS SIGNING DO PASS

[Signature] (DO PASS)

OTHER RECOMMENDATIONS

[Signature] (NO REC)

[Signature]
Chairman signature and recommendation

[] Committee Backup Attached

STEVE COWPER
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 11, 1988

The Honorable Jan Faiks
President of the Senate
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Senator Faiks:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to foreign trade zones. The bill repeals and reenacts AS 45.77.010 to make it more comprehensive and to remove certain ambiguities. The changes are intended to encourage establishment of foreign trade zones by clarifying the authority to apply for foreign trade zone privileges and to operate the zones.

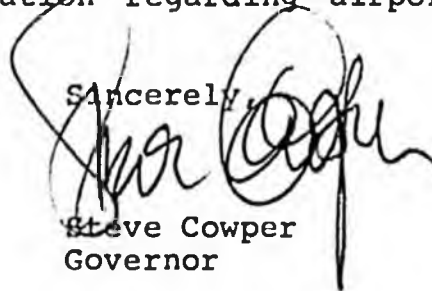
The bill improves on the existing statute by making clear (1) that public corporations may jointly apply for establishment of a foreign trade zone; (2) that both public and private corporations may apply for foreign trade zone privileges; and (3) if the application is approved, that they may operate the zone. For a private corporation, the present statute's requirement of approval from the commissioner of commerce and economic development is retained. Either a public or private applicant may operate the foreign trade zone by contracting with a private operator.

"Public corporation" is defined to include the state, a political subdivision of the state, and a board, commission, or other instrumentality of either, or any combination of these entities. For example, the bill would allow the state to work with a municipality, or several municipalities or their agencies, to apply together for the privilege of establishing or operating a foreign trade zone. The concept of defining "public corporation" to include the state itself is somewhat unusual, but it directly parallels federal law (19 U.S.C. 81a(e)).

Several other states, including Rhode Island, North Carolina, Maryland, and Tennessee, have a similar statute. This bill goes beyond their versions, however, by making clear the authority of various public entities to cooperate.

Several existing provisions of law provide authority for the state to cooperate with local entities. The Alaska Constitution, art. X, sec. 13, allows the state to agree with local governments for joint or cooperative administration of any functions. And AS 02.15.080 and 02.15.130 provide specifically for such cooperation regarding airport administration.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Cowper", written over the word "Sincerely,".

Steve Cowper
Governor

STATE OF ALASKA

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

STEVE COWPER, GOVERNOR

REPLY TO:

1031 W 4th AVENUE
SUITE 200
ANCHORAGE, ALASKA 99501-1994
PHONE: (907) 276-3550

1st NATIONAL CENTER
100 CUSHMAN ST.
SUITE 400
FAIRBANKS, ALASKA 99701-4679

P.O. BOX K—STATE CAPITOL
JUNEAU, ALASKA 99811-0300
PHONE: (907) 465-3600

March 3, 1988

The Honorable Mitch Abood, Chair
Alaska State Senate
State Affairs Committee
Alaska State Legislature
P.O. Box V
Juneau, Alaska 99811

Re: SB 414 (Foreign Trade Zones)

Dear Senator Abood:

The senate schedule shows that this bill will be taken up in your committee on Friday, March 4, 1988. Perhaps some comments in addition to the governor's February 11, 1988 transmittal letter (1988 Senate Journal page 2227) would be helpful.

Federal law (19 U.S.C §81a -- 81u) provides for the establishment of foreign trade zones. (See, in particular, 19 U.S.C. 81t(d), dealing with joint state/municipal facilities, and requiring state legislation.) Alaska's law on the subject, AS 45.77.010, is a sparse provision that contains several defects. Senate Bill 414 improves the current law in at least the following four ways:

1. The current law does not provide for a joint application by, for example, the state and a municipality. The bill remedies that by defining "public corporation" to include a combination of the state or its agencies and a political subdivision of the state or the political subdivision's agencies. See proposed AS 44.77.020(3), in sec. 2 of the bill.
2. The current law does not define terms such as "corporation," "state," or "municipality" to make clear whether subdivisions or agencies are authorized to apply for foreign trade zone privileges. The bill provides helpful definitions of the relevant terms, making clear what entities may apply. See proposed AS 45.77.020, in sec. 2 of the bill.


3. In the current law, AS 45.77.010(1) and (3) are contradictory. The qualifications of a corporation which paragraph 1 leads you to expect in paragraph 3 are missing. In addition, paragraph 1 specifies that the commissioner of commerce and economic development applies on behalf of a corporation, but paragraph 3 provides that the corporation's officers do the applying ("through the commissioner"). The bill remedies these problems. See proposed AS 45.77.010(a) and (b), in sec. 1 of the bill.
4. The current law implies that the successful applicant is to be the entity that will "establish, operate, and maintain" the foreign trade zone, without indicating that operations may be handled by contract with a professional operator. The bill remedies this oversight. See proposed AS 45.77.010(c), in sec. 1 of the bill.

I hope that you and your committee will find this helpful, and I will leave to representatives of the Department of Transportation and Public Facilities a description of the benefits to be derived from establishing foreign trade zones in Alaska.

Thank you for this opportunity to comment.

Yours truly,

GRACE BERG SCHAIBLE
ATTORNEY GENERAL

By: 
Arthur H. Peterson
Assistant Attorney General

AHP/lg

cc: Robert Poe, Deputy Commissioner
Department of Transportation and
Public Facilities

Bob Evans, Legislative Liaison
Office of the Governor

STATE OF ALASKA 1988 LEGISLATIVE SESSION
FISCAL NOTE

REQUEST _____

Bill Version: _____
Publish Date: _____

Revision Date: _____
Title: Relating to Foreign Trade Zone

Agency Affected: DOT&PF
BRU: _____

Sponsor: Rules Committee
Requestor: Governor

Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: There is no fiscal impact to the Department of Transportation and Public Facilities

Prepared by: Robert G. Poe, Jr., Deputy Commissioner *RG* Phone: 465-3900
Division: _____ Date: 2/1/88

Approved by Commissioner: Mark S. Hickey *MSH* Date: 2/1/88
Agency: DOT&PF

Distribution (by preparer):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)
Senate Secretary

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: An Act relating to foreign trade zones and effective date
Sponsor: Rules Committee
Requester: Governor

Agency Affected: Commerce & Econ. Dev.
BRU: Division of Business Development
Components: _____

EXPENDITURES / REVENUES : (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
REVENUE	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING: (Thousands of dollars)

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

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary.)

Prepared by: William G. Paulick, Development Specialist Phone: 465-2017
Division: Business Development Date: 03-02-88

Approved by Commissioner: J. Anthony Smith Date: 3/3/88
Agency: Department of Commerce and Economic Development

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

S B

4 2 8



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 16, 1988

The Honorable Jan Faiks
President of the Senate
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Senator Faiks:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to disclosure of certain employment security information. The bill amends existing AS 23.20.110, regarding confidentiality and release of employment security records, to allow the Department of Labor to make public disclosures of the residency status of employees. Additionally, the bill provides a mechanism to preclude disclosure if the United States Department of Labor finds that the bill would place the employment security program in substantial noncompliance with federal program requirements in 42 U.S.C. 503(a).

Alaska is presently experiencing high unemployment, with substantial economic problems, among its residents. The Department of Labor is responsible for advancing opportunities for workers in Alaska in order to reduce that alarming unemployment rate (AS 23.05.010). One avenue open to the department is to publicly inform employers of their resident hire record and to encourage them to consider qualified Alaskans for recruitment.

At the present time, AS 23.20.110(a) precludes the department from making such public statements based on employment security records. The bill amends the statute to allow disclosure. Sections 2 and 3 of the bill.

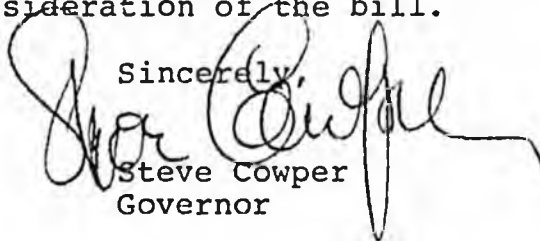
The bill adequately protects the privacy interests of the individual employees involved, for it precludes the department from releasing an employee's name, or information that would individually identify an employee. Section 3 of the bill.

Additionally, while the bill allows employers to be individually named, it expressly precludes the denial or limitation of department benefits, or other discrimination against the employer, because of the department's analysis of the employer's hiring practices. Section 3 of the bill.

Because the employment security program must comply with federal program requirements in order to receive federal money, the bill adequately protects that money by prohibiting disclosure of the information if the federal government finds that that action would cause a substantial noncompliance with the requirements of 42 U.S.C. 503(a). Section 3 of the bill.

This bill has the strong support of the Department of Labor and is consistent with this Administration's goal of enhancing job opportunities for Alaska residents. I urge your prompt and favorable consideration of the bill.

Sincerely,



Steve Cowper
Governor

FISCAL NOTE

REQUEST:

Revision Date: _____
 Title: "An Act relating to disclosure of certain employment security information."
 Sponsor: Rules Committee
 Requestor: Governor
 Agency Affected: Labor
 BRU: Employment Security
 Components: Unemployment Insurance

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

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

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

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Joe Sifton, Director Phone: 465-2725
 Division: Employment Security Date: 2/9/88
 Approved by Commissioner: Jim Sampson Date: 2/9/88
 Agency: Labor

Distribution (by preparer):
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

SB

435

BILL NO: SB 435

DATE: February 24, 1988

TITLE: An Act relating to
driver's licenses

CONTACT: Bill Brown
465-4335


DEPARTMENT OF
PUBLIC SAFETY

This bill will require the periodic re-examination of individuals over 74 years of age who have, or apply for, an Alaska driver's license. Physical conditions that commonly accompany aging can contribute to problems with driving. These conditions include cataracts, cardiovascular disease, arthritis, and Alzheimer's disease. Requiring the elderly driver to demonstrate his or her ability to safely operate a motor vehicle is a good idea, and should help to make our highways safer.

The bill will increase the number of road tests DMV must administer by approximately 1,500 annually. This will impact the major field offices, and one additional examiner position in Anchorage is being requested to help absorb the impact of the increased workload.

Although the bill requires a "re-exam" for elderly driver every two years, driver's licenses are now valid for a five-year period. DMV would be required to send re-exam notices every two years, and follow-up with cancellation notices to those who do not comply. We suggest the bill be amended to specify that a driver's license issued to a person over 74 years of age expires in two years, rather than the current five years, so the elderly person would automatically have to report to a DMV office every two years in order to maintain a valid license.

The department supports this bill.


Arthur English
Commissioner

POSTED

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: An Act relating to driver's licenses.
Sponsor: Hensley
Requestor: Senate State Affairs

Agency Affected: Public Safety
BRU: Motor Vehicles
Components: Field Services

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES		32.6	33.6	34.6	35.6	36.7
TRAVEL						
CONTRACTUAL		2.9	3.0	3.1	3.2	3.3
SUPPLIES		.2	.2	.2	.2	.2
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	35.7	36.8	37.9	39.0	40.2

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

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

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	35.7	36.8	37.9	39.0	40.2
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	35.7	36.8	37.9	39.0	40.2

POSITIONS:

FULL-TIME		1	1	1	1	1
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

See page 2.

JWR
2/26/88

Prepared by: Bill Brown
Division: Motor Vehicles

Phone: 465-4335
Date: 2-25-88

Approved by Commissioner: Arthur Engle
Agency: Public Safety

Date: 3-1-88

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. SB 435

The number of road tests DMV administers will increase by approximately 1,500 annually. One position is necessary at the Anchorage field office to handle the increase at that location. The other field offices will absorb the increase in workload with current staff.

Personal Services

1 MVR III, Anchorage, Range 10B	32.6	32.6
---------------------------------	------	------

Contractual

Postage (re-exam notice) 1,200 x \$1.76 (certified mail)	2.1	
Postage (cancellation notice) 200 x \$1.76 (certified mail)	.4	
Printing of forms and envelopes	<u>.4</u>	2.9

Commodities

Normal office supplies	.2	<u>.2</u>
	Total	35.7

Fiscal note based on effective date of July 1, 1988.

3% inflation factor reflected in FY90 and subsequent years.

Position Title Motor Vehicle Rep III			No. of Positions	Range/Step 10B	Barg. Unit GGU																																																
Time Status PFT	Staff Months 12		Location Anchorage		Election District																																																
<table border="1"> <thead> <tr> <th>Type of Expenditure</th> <th>1</th> <th>2</th> <th>3</th> </tr> </thead> <tbody> <tr> <td>Salary</td> <td></td> <td>22.716</td> <td></td> </tr> <tr> <td>Benefits</td> <td></td> <td>9.851</td> <td></td> </tr> <tr> <td>Premium Pay</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Other</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Total Personal Services</td> <td></td> <td></td> <td>32.6</td> </tr> <tr> <td>Travel</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Contractual</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Commodities</td> <td></td> <td></td> <td>.2</td> </tr> <tr> <td>Equipment</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Other</td> <td></td> <td></td> <td>32.8</td> </tr> <tr> <td>Total Cost</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>			Type of Expenditure	1	2	3	Salary		22.716		Benefits		9.851		Premium Pay				Other				Total Personal Services			32.6	Travel				Contractual				Commodities			.2	Equipment				Other			32.8	Total Cost				Justification Conduct pre-test vehicle inspection to verify vehicles in safe condition for road test. Conduct driving examination to determine whether applicant should receive or retain driver's license. Explain test results to applicant, and requirements if test not satisfactorily completed.		
Type of Expenditure	1	2	3																																																		
Salary		22.716																																																			
Benefits		9.851																																																			
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Other																																																					

**Request For
New Position**

Agency Public Safety
 PRU Motor Vehicles
 Component Driver Services

Page 3 of 3
 Revised Date _____

FY 89

S B

440



NEA-ALASKA

AFFILIATED WITH THE NATIONAL EDUCATION ASSOCIATION

C
my

ANCHORAGE REGIONAL OFFICE

1411 W 33RD AVENUE
ANCHORAGE, ALASKA 99503
(907) 274-0536

JUNEAU OFFICE

105 MUNICIPAL WAY, SUITE 302
JUNEAU, ALASKA 99801
(907) 586-3090

FAIRBANKS REGIONAL OFFICE

2118 CUSHMAN STREET
FAIRBANKS, ALASKA 99701
(907) 456-6335

FEB 16 1988

February 19, 1988

To: Sen. Mitch Abood, Chair
Members, Senate State Affairs Committee

Re: SB 440; "An Act relating to the Alaska Association of
School Boards; and providing for an effective
date."

NEA-Alaska supports and encourages passage of SB 440.

For a single organization to be given statutory exclusivity
to the right to represent political subdivisions of the
State is a deprivation of opportunity to any other
organization or individual seeking to provide similar
services.

To continue such special privilege would seem to expose the
State to an unnecessary liability or quite possibly require
that similar privileges be extended to other organizations
desirous of representing political subdivisions and the
various employee groups of these political subdivisions as
well.

Thank you for your consideration of our concerns and
suggestions.

Respectfully submitted,

Bob Manners
Executive Secretary

cc: Sen. Fred Zharoff

z19feb1



SB

442

SENATE COMMITTEE REPORT

FIRST COMMITTEE OF REFERRAL

Date of 2/24/88 5-DAY NOTICE
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER: FINANCE

**FISCAL NOTE(S) ATTACHED **
IN ACCORDANCE WITH AS 24.08.035
(see below)

2/16/88
Mr. President:

DATE TURNED INTO OFFICE 3/23/88

State Affairs Committee considered SB 442

Older Alaskans Commission and the protection of elderly persons; and
establishing the office of the older Alaskans ombudsman

and recommended:

- replace with CS SB 442 (SA) same title
 new title
- attached amendment(s) and
- do pass
- do not pass
- no recommendation
- individual recommendations
- further referral to _____
- letter of intent adopted and attached

** Committee attached or adopted fiscal note(s)
 zero fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

P. Kelly
W. Hunter

Don [Signature]
 Chairman signature and recommendation

Committee Backup Attached

Senator Rick Uehling

Senate District H
Downtown, Elmendorf, Northeast Anchorage



Senate Finance Committee
Chair, International Trade Committee
Vice-Chair, State Affairs Committee
Labor & Commerce Committee

February 19, 1988

M E M O R A N D U M

TO: Senator Mitch Abood, Chair
Senate State Affairs Committee

FROM: Senator Rick Uehling

SUBJECT: Senate Bill 442

I have asked staff to provide the following background to SB 442, "An Act relating to the Older Alaskans Commission, protection of elderly persons; and establishing the Office of the Older Alaskans Ombudsman."

SB 442 is designed to do three things:

1) to bring the Older Alaskans Commission state statutes (AS 44.21.200 - 44.21.240) into compliance with federal 1987 amendments to the federal Older Americans Act of 1965.

2) to establish the Office of the State Long-Term Care Ombudsman.

3) to establish procedures for the protection of elderly persons in the State of Alaska.

The Older Alaskans Commission has heretofore voluntarily established the Office of the State Long-Term Care Ombudsman, but at this time the office does not exist under state statute and thus has no statutory powers to investigate and resolve complaints. This bill, therefore, brings the Older Alaskans Commission into compliance with the 1987 federal amendments by establishing the Office of the State Long-Term Care Ombudsman and giving it duties and powers that are protected in statute.

This bill additionally meets the requirements of the 1987 amendments to the federal Older Americans Act of 1965 by adding a section which protects those who in good faith report instances of elderly abuse. This so-called "Whistleblowers" provision ensures that a person may bring a civil action for compensatory and punitive damages against an employer or supervisor who violates this subsection, and there is a rebuttable presumption that the detrimental action by the employer or supervisor was retaliatory if it was taken within 90 days of the complaint.



Older Alaskans Commission

Box C
Juneau, Alaska 99811-0209
907/465-3250

POSITION PAPER

SB 442 ESTABLISHING THE OFFICE OF THE OLDER ALASKAN OMBUDSMAN

The Older Alaskan Commission strongly supports the passage of SB 442, although the Commission offers several amendments to enhance the protections offered to older Alaskans by this bill.

Background of the bill: The federal Older Americans Act of 1965 (OAA) has mandated for nearly a decade that each state office on aging, as a condition to receipt of federal funds for senior services, must establish and operate an ombudsman program for the investigation and resolution of complaints made by or on behalf of older individuals residing in long-term care facilities, such as nursing homes.

The Older Alaskans Commission (OAC), as the designated state agency, has operated such a program, staffed by one person, who is now known as the Senior Ombudsman.

SB 442 will bring Alaska's senior ombudsman program into compliance with new requirements under the November 29, 1987 amendments to the Older Americans Act, Public Law 100--175. Federal law now mandates that each State agency be able to provide certain legal guarantees as part of its ombudsman program, such as "whistle-blower protection" and confidentiality of client records. The new federal law seeks state authority for the ombudsman to bring legal action on behalf of individuals. Thus, it is clear that the ombudsman is now to be considered a personal advocate for the nursing home resident, a service not now duplicated by any federal, state, or local agency.

SB 442 is the first specific statutory foundation for Alaska's senior ombudsman program, which was previously operated under the general authority of AS 44.21.230(a)(7), which empowers the Older Alaskans Commission to "administer, ... federal programs as provided under... (Older Americans Act), as amended..."

To date, the senior ombudsman program in Alaska has been operating without any state statutory powers. The Senior Ombudsman handles complaints based solely on the power of

persuasion. There presently exists no protection or remedy for an employee of a nursing home who might be disciplined for having made a complaint to the Ombudsman on behalf of a resident, nor any administrative or legal enforcement if the Ombudsman should be denied access to a resident or to pertinent patient records. SB 442 will cure these deficits, which is in keeping with the intent of the new federal law.

IMPACTS OF THE BILL: In summary, the major impacts of this proposed legislation are that it:

1. Establishes Regulatory Authority for the Older Alaskans Commission.
2. Establishes an Independent Office of the Older Alaskans Ombudsman, with statutory duties and powers to protect older Alaskans residing in nursing homes.
3. Creates a corps of Volunteer Ombudsmen available to older Alaskans in every community.
4. Guarantees Ombudsman Access to nursing home clients and records.
5. Guarantees Confidentiality of Ombudsman Records.
6. Grants Immunity and Protection against Retaliation for Good Faith Reports to Ombudsman or to Division of Family and Youth Services.

The Older Alaskans Commission supports the bill as proposed, but believes it can even more effectively serve older Alaskans if amendments were made to broaden the scope of the Ombudsman's duties to include other types of "long-term care facilities," in addition to just nursing homes, such as adult residential care facilities and adult foster homes. Such amendments would be in keeping with the intent of the 1987 federal legislation which refers to the long-term care ombudsman program as including any skilled nursing facility, any intermediate care facility, and any other similar adult care home. (Sec. 302, Pub. Law 100--175.)

The Commission also proposes an amendment to allow the Ombudsman to continue some of the informal complaint investigation and resolution which he now performs for seniors in other areas closely related to the senior's ability to live as independently as possible. For instance, the Ombudsman should be able, as time and staff allow, to assist with seniors' housing, utility, or health care problems.

The Commission's suggested amendments are included, after the detailed bill analysis.

DETAILED ANALYSIS OF BILL:

1. Establishes Regulatory Authority for the Older Alaskans Commission. Section 1 of the bill grants regulation-making authority to the Older Alaskans Commission as necessary to administer the chapter, AS 44.21, and to comply with federal law. This authority will allow the Commission to meet many of the new federal Ombudsman program requirements through the promulgation of regulations consistent with federal law and the new portions of AS 44.21 contained in this bill.

2. Establishes an independent Office of the Older Alaskans Ombudsman, with statutory duties and powers. Section 2 of the bill adds new sections to AS 44.21 to establish, as required by the 1987 Older Americans Act, an "Office of the State Long-Term Care Ombudsman," titled in SB 442 as "Office of the Older Alaskans Ombudsman."

Sec. 44.21.232 enumerates the powers and duties of the Ombudsman, which include the duty to investigate and resolve complaints made by or on behalf of older Alaskan nursing home residents, about an "administrative action" which may adversely affect the health, safety, welfare, or rights of the older Alaskan.

The ombudsman is given power to issue administrative subpoenas, require testimony and production of evidence under oath, and seek enforcement of these powers in the superior court. The ombudsman is empowered to pursue administrative, legal, or other remedies on behalf of an older Alaskan residing in a nursing home in this state. (This authority is one of the specific requirements of the 1987 Older Americans Act.)

3. Creates a corps of volunteers available to older Alaskans in every community. Sec. 44.21.233 requires the ombudsman to train and certify staff, volunteers, and representatives of the office. Minimum training requirements are listed.

The ombudsman does not now have any employees, volunteers, or other representatives. As a consequence, although the Ombudsman does some circuit-riding visits to nursing homes and other facilities around the state, he is not a visible presence in the facilities who would be frequently available to residents if they have concerns or complaints. Also, a resident afraid of complaining has no assurance that anyone will be on hand locally to intercede if the resident felt that retaliation occurred as a result of having complained to the ombudsman.

SB 442 will authorize the ombudsman to deputize selected volunteers, after training and certification, to be available on a frequent basis to residents of a facility. Numerous

other states have already instituted a volunteer ombudsman program, so training materials and program guidelines are readily available for the start up of such a plan in Alaska.

4. Guarantees Ombudsman access to nursing home clients and records. Sec. 44.21.234 guarantees that the ombudsman shall have access to any nursing home and to any nursing home resident.

5. Guarantees Confidentiality of Ombudsman Records. Sec. 44.21.235 provides that records obtained or maintained by the ombudsman are confidential, not subject to disclosure under the public records law.

6. Grants Immunity and Protection against Retaliation for Good Faith Reports to Ombudsman or to Division of Family and Youth Services. Sec. 44.21.236 provides immunity from both civil and criminal liability for a good faith complainant to the ombudsman, and for the ombudsman, volunteers and representatives of the office for the good faith performance of official duties. (This is a specific requirement of the 1987 Older Americans Act.)

Sec. 44.21.237 makes it a class B misdemeanor to intentionally interfere with the ombudsman or a volunteer or representative of the office in their performance of official duties. It is also made a class B misdemeanor for the employer or supervisor of a person who makes a good faith complaint to the office to in any way "retaliate" against the complainant. (Required by 1987 Older Americans Act.)

The complainant is also given a civil cause of action for retaliation, and may seek both compensatory and punitive damages. The section creates a rebuttable presumption that any detrimental action taken against a complainant within 90 days of the complaint is retaliatory. (Required by 1987 Older Americans Act.)

Section 4 amends the Protection of the Elderly Act, AS 47.24., to prohibit an employer or supervisor of a person who makes a good faith report of harm under 47.24.110 from taking any retaliatory action against the reporter. The person who made the report of harm is given a civil cause of action for compensatory and punitive damages for such retaliation, and a rebuttable presumption about the retaliation is created.

PROPOSED AMENDMENTS:

Page 2, Sec. 2, amend to read:

"Sec 44.21.231. OFFICE OF THE OLDER ALASKANS OMBUDSMAN

(a) The office of the older Alaskans ombudsman is established in the commission.

(b) The ombudsman shall be appointed by the commission, [FOR A TERM OF FOUR YEARS AND MAY BE REAPPOINTED] and shall be in the classified service. A member of the commission who has a financial interest in a nursing home, adult residential facility, or adult foster home in the state, or who has any other conflict of interest, may not participate in the appointment of the ombudsman. The ombudsman is a full-time position, with compensation and conditions of employment determined by the commission. For budgetary and administrative purposes, the ombudsman reports to the executive director of the commission.

(c) The ombudsman may not have a financial interest in a nursing home, adult residential facility, or adult foster in the state. The commission shall adopt regulations to assure that the ombudsman, and employees and volunteers of the office, do not have a conflict of interest or an appearance of a conflict of interest.

(d) The commission shall enter into cooperative agreements regarding the operations of the office of the ombudsman, which agreements shall include investigative protocols, with other state and local agencies which have jurisdiction over nursing homes, adult residential facilities, adult foster homes, or the abuse or neglect of older Alaskans."

Page 2, line 23, amend to read: "...behalf of an older Alaskan who resides in a nursing home, adult residential facility, or adult foster home in the state..."

Page 3, line 4, amend to read: "...remedies on behalf of an older Alaskan who resides in a nursing home, adult residential facility, or adult foster home in the state."

Page 3, after line 5, insert new subsection to read:

(6) The ombudsman may investigate and resolve a complaint made by or on behalf of an older Alaskan about any issue related to the long-term care or residential situation of the older Alaskan, including but not limited to complaints regarding the older Alaskan's landlord, a senior citizens housing facility, a public assistance program, a public grants program for services to older Alaskans, public utilities, health care facilities, or health care providers. The powers of the ombudsman described under (b) of this section do not apply to this subsection.

Page 3, line 10, amend to read: "...local laws and policies relating to nursing homes, adult residential facilities, and adult foster homes in the state,..."

Page 3, lines 17--23, amend to read:

"Sec. 44.21.234. OMBUDSMAN'S ACCESS TO [NURSING HOMES] OLDER ALASKANS AND PATIENT RECORDS. (a) A person may not deny access to a nursing home, adult residential facility, or adult foster home, or to an older Alaskan by the ombudsman or an employee, volunteer, or other representative of the office.

(b) Notwithstanding the provisions of AS 44.21.232(b)(1), the ombudsman may obtain medical or other records of an older Alaskan who resides in a nursing home, adult residential facility, or adult foster home in the state only with the consent of the..."

Page 4, lines 3--6, amend to read:

"(b) The identity of a complainant or an older Alaskan [WHO RESIDES IN A NURSING HOME IN THE STATE] on whose behalf a complaint is made may not be disclosed without the consent of the identified person or the person's legal guardian, unless required by court order."

Page 4, lines 14--17, amend to read:

"Sec. 44.21.237. INTERFERENCE WITH OMBUDSMAN AND RETALIATION PROHIBITED. (a) It is unlawful to intentionally interfere with the ombudsman, or an employee, volunteer, or representative of the office, in the performance of official duties under AS 44.21.232(a)."

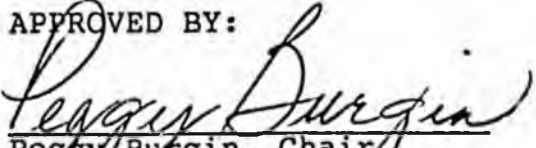
Page 5, before line 13, insert new definitions:

(2) "adult foster home" means an adult foster home licensed by the Department of Health and Social Services;

(3) "adult residential facility" has the meaning given for "facility" in AS 47.35.900 as applied to facilities that provide care for dependent adults;

(4) "senior citizen housing facility" has the meaning given in AS 44.47.620.

APPROVED BY:


Peggy Burgin, Chair
Older Alaskans Commission

DATE:

3-1-88

REVIEWED BY:


John M. Andrews, Commissioner
Department of Administration

DATE:

3/2/88

FISCAL NOTE

REQUEST: _____

Revision Date: _____ Agency Affected: Administration
 Title: Act to protect elderly and BRU: Older Alaskans Commission
 establishing office of older Alaskans ombudsman
 Sponsor: Uehling, Kerttula, Szymanski Components: _____
 Requestor: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES		49.0	49.0	59.4	59.4	59.4
TRAVEL		1.0	5.0	5.0	5.0	5.0
CONTRACTUAL		2.0	10.7	10.7	10.7	10.7
SUPPLIES		1.5	3.0	3.0	3.0	3.0
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		53.5	67.7	78.1	78.1	78.1

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

GENERAL FUND		40.1	50.8	58.6	58.6	58.6
FEDERAL FUNDS		13.4	16.9	19.5	19.5	19.5
OTHER		0				
TOTAL		53.5	67.7	78.1	78.1	78.1

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary)

Personal Services. The Ombudsman salary would increase by \$300 per year when moved from classified service to appointed status.

Supplies Line. Includes supplies for volunteers.

Prepared by: Connie J. Sipe *CJS* Phone: 465-3250
 Division: Older Alaskans Commission Date: _____

Approved by Commissioner: John M. Andrews *JMA* Date: 3/2/88
 Agency: Administration

Distribution (by preparer):

Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

Position Title Paralegal Assistant I		No. of Positions 1	Range/Step 13	Barg. Unit GGU
Time Status FT	Staff Months 12	Location Anchorage		Election District
Type of Expenditure		Justification		
1	2	3		
Salary	36.1	<p>If SB 442 passes, the existing senior ombudsman program within the Older Alaskans Commission will be given a broader mandate to pursue formal remedies on behalf of aggrieved seniors in nursing homes and other adult care residential facilities. The Ombudsman's office will also be empowered to train and maintain a pool of volunteer and representatives to go into the facilities, in every community where a facility exists. The Ombudsman will need to continue present efforts to collect and maintain a uniform state data base on senior complaints. These new and continuing responsibilities require that the ombudsman have an assistant to help process and investigate complaints, coordinate the training and daily management of the volunteers; and assist in the preparation of legal documents needed for any formal actions which the ombudsman may be compelled to bring on behalf of residents.</p>		
Benefits	12.6			
Premium Pay	-0-			
Other	-0-			
Total Personal Services	48.7			
Travel	1.0			
Contractual	2.0			
Commodities	.5			
Equipment				
Other				
Total Cost				
Funding Source for Total Cost				
Federal Receipts 1002		13.0		
G. F. Match 1003				
General Fund 1004		39.2		
GF Program Receipts 1005				
Other				

**Request For
New Position**

Agency Administration
 BRU Older Alaskans Commission
 Component _____

Page 1 of 1
 Revised Date _____

FY 89