

ALASKA LEGISLATURE COMMITTEE FILES, 1989-1990

8672

6359 SENATE JUDICIARY

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1 by the lieutenant governor.

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HB

19

Alaska State Legislature

Anchorage * District 10

P.O. Box V
Juneau, Alaska 99811
(907) 465-2828

3111 C Street, Suite 412
Anchorage, Alaska 99503
(907) 561-2040



Member
Alaska Legislative
Council
Labor & Commerce
Committee
Special Committee
on Foreign Trade
Finance Sub-Committee
for Labor

Representative Virginia Collins

SPONSOR STATEMENT

CSHB 19 (FIN)

This bill would create in the Department of Administration a statewide foster care review system for certain children in state custody. It would establish a ten-member state panel composed of five voting members who are appointed by the governor and five non-voting agency members. It would also establish five-member local citizen review panels for children in state custody in each of the state's four judicial districts. Administrative staff would be provided to the panels.

Within 180 days after a child is removed from the home and every six months thereafter, the local citizen review panels would review the case to determine whether the child has a case plan in place consistent with the best interests of the child, evaluate the necessity and appropriateness of the placement, and ascertain the date by which a child may be returned to the home or placed for adoption or legal guardianship. The panel would make advisory recommendations based on the review.

The state panel would prepare an annual report to the legislature regarding the activities of the panels and make recommendations for program improvements.

There are 21 other states which have implemented similar programs and have found it to show a cost-savings. More importantly, these states have found that children are not languishing as long in foster care.

STATE OF ALASKA
THE LEGISLATURE

POUCH Y STATE CAPITOL
JUNEAU ALASKA 99811
907 465 3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

April 2, 1990

SUBJECT: Sectional Analysis
CSHB 19 (Judiciary *(+ FIN)**)

TO: Representative Virginia Collins

FROM: Terri Lauterbach *TL*
Legislative Counsel

This memo contains a sectional analysis of CSHB 19 (Judiciary), a bill relating to citizen out-of-home care review panels.

Section 1 states findings and a purpose for the bill.

Section 2 establishes criteria for an out-of-home care review system and sets out its duties.

Sec. 47.10.400 describes the composition of a state panel called the Citizens' Review Panel for Permanency Planning.

Sec. 47.10.410 describes the duties of the state panel.

Sec. 47.10.420 provides for local review panels.

Sec. 47.10.430 specifies meeting requirements and expense reimbursement limitations for local panels.

Sec. 47.10.440 describes the duties of the local panels.

Sec. 47.10.450 requires various state agencies and the court system to cooperate with panels.

Sec. 47.10.460 provides for the sharing of a child's records with a panel. Requires confidentially.

Sec. 47.10.470 sets out the circumstances under which a court may consider panel recommendations.

*** THE ONLY CHANGE IN THE HOUSE JUDICIARY CS CONSISTED OF A WORD CHANGE WHICH DOES NOT AFFECT THIS SECTIONAL ANALYSIS.**

Representative Virginia Collins
Page 2
April 2, 1990

Sec. 47.10.480 provides for indemnification of panel members.

Sec. 47.10.490 defines terms.

Section 3 amends the sunset statute to include the state panel.

Section 4 allows postponement of certain court reviews of children's cases.

Section 5 requires an 18-month court review of certain cases where children are in state custody and requires notification of parties about the out-of-home care review system established in the bill.

Section 6 amends emergency placement procedures to require DHSS to notify parties about the review panels and to require court review of temporary custody arrangements within 18 months.

Section 7 is a transitional provision for setting up the first state panel.

Section 8 makes the bill effective July 1, 1990.

TL:pl
WKP4/006

HESS Comm. Working 11-15-88



Alaska State Legislature
House of Representatives
COMMITTEE ON HEALTH, EDUCATION
AND SOCIAL SERVICES

OFFICIAL BUSINESS

PO
JUNEAU, AK
465

PRELIMINARY RECOMMENDATIONS
for the
STATE FOSTER CARE SYSTEM

October 1988

There are few state responsibilities greater than our obligation to care for our most vulnerable citizens: abused, neglected and abandoned children. The state has the moral and legal duty to provide the best possible care so that these children have the chance to become healthy, happy and productive citizens.

We are not doing the best job of fulfilling this mandate. Many children are inadequately served, many are not served at all. Our child protection system is understaffed, overstressed and lacks the resources necessary to provide adequate protection and care. In particular, the state's foster care system needs to do a better job of providing the nurturing environment that the child lacks in the natural home. State law may need to be changed in order to provide clearer direction for the welfare of children.

Recognizing these problems and the possibilities for positive change, the House Health, Education and Social Services Committee has been conducting a comprehensive review of the state's foster care system. The Committee has been working with the cooperation of the Division of Family and Youth Services, the Alaska Foster Parents Association, the Governor's Interim Commission on Children and Youth, plus other concerned organizations, agencies and individuals. The Committee recently completed two days of hearings on the foster care system. What follows is a preliminary list of recommendations for improvement. The Committee is open to additions and further refinement before we move forward with specific legislative action.

As an introduction, we have proposed basic mission and goal statements which will serve as a foundation for the preliminary Committee recommendations which follow. After each of the recommendations is a code which indicates the type of action(s) necessary. The codes mean: \$ = requires funding; L = requires legislation; A = requires administrative regulation, policy or procedural change; ? = action not clear.



Mission: THE BEST INTERESTS OF THE CHILD

The mission of the state's child protection system should be to promote the best interests of the child. Preservation of the family or reunification with a child's natural parents is often the best alternative, but these efforts should be driven by and for the best interests of the child.

- * The state children's code should be reviewed and possibly modified to insure the promotion of the best interests of the child. L



Goal One: SAFETY, STABILITY AND PERMANENCY FOR CHILDREN

Beyond initial efforts to insure a child's safety, the state's highest priority should be the ultimate stability and permanency of the child. The best efforts must be made to keep families together, if appropriate, or to reunify, if possible. If these options are not possible, the state should consider quick action to terminate parental rights, reduce the length of time a child lingers in temporary foster care, and secure a long-term nurturing home for the child or prepare the child for emancipation.

- * Expand intensive homebased family treatment programs to more quickly get help to families and determine the fate of the child. Funding could come from saved foster care stipends. Treatment should include an alcohol and drug abuse component. \$
- * Clarify criteria for termination of parental rights so that the best interests of the child and the child's need for a permanent plan are highest priorities. Consider different standards for different ages. L
- * Change confidentiality statutes so that foster parents and others with a "need to know" have access to information. L
- * Continue pilot citizen review permanency planning board projects in Anchorage and Sitka. \$
- * Create a permanent, state-wide citizen review board system. L, \$
- * Expand the role of foster parents as part of the permanency planning team. A
- * Make greater use of subsidized adoption; beyond just hard to place kids. ?
- * Establish use of subsidized guardianships to increase stability of certain placements. L, \$
- * Make long term foster care more viable. A, \$
- * Establish minimum standards for emancipation. L
- * Provide more pre-emancipation services for youth. L,\$
- * Examine the impediments to adoption. A

STATE OF ALASKA

STEVE COWPER, GOVERNOR

OFFICE OF PUBLIC ADVOCACY

300 W 5TH AVENUE
SUITE 525
ANCHORAGE, ALASKA 99501
PHONE (907) 274-1184

March 1, 1990

Myra M. Munson
Commissioner
Department of Health
and Social Services
P.O. Box H
Juneau, AK 99811-0601

Dear Commissioner Munson:

The Office of Public Advocacy (OPA) and the Public Defender Agency (PDA) interact on a regular basis with the Division of Family and Youth Services (DFYS) in Anchorage. Typically, OPA is appointed by the court as guardian ad litem for minors taken into custody by DFYS under child in need of aid (CINA) petitions. If parents are unable to afford legal counsel in these proceedings, the PDA is often appointed as their attorney.

Over the past few years, we have become increasingly concerned with the functioning of DFYS and its impact on our clients. Our staff have "brainstormed" a list of issues that illustrate problems in the Alaska child protection system. While we recognize that DFYS is charged with an extremely difficult task, we believe it is critical that your department consider these concerns with great care.

1. The Anchorage DFYS office is divided into several specialized "units": "Screening", "Intake", "Ongoing Services", "Permanency Planning", "Adoption", "High Risk" (cocaine babies), and "Compliance". While each of these units has varying functions, there is an incredible variance in the size of the individual social worker's caseload. For example, many "Ongoing" social workers serve 50 to 60 families, while a social worker in the "High Risk" unit may have only five to ten families on their caseload. It has been the observation of our staff that the most complex, time-consuming and high risk cases often seem to be assigned to the much overburdened "Ongoing" unit social workers. The Child Welfare League of America recommends caseloads much lower than this for child protection social workers. Common sense would indicate the impossibility of really providing social work services to 60 families in a 37.5 hour work week.

2. The Division of Family and Youth Services assigns a social worker in the "Intake" unit to investigate the allegations in a case and follow the case through the initial court hearing.

Then, the case is supposed to be transferred to a social worker in an "Ongoing" unit. The time for transferring a case from "Intake" to "Ongoing" often takes several weeks. During this time, services are generally not provided to the families, children don't visit with their parents and no one knows who is responsible for making "social work" decisions. The "case plan", which is required by federal law and DFYS policy to be completed within 60 days at the latest, is rarely completed in this time frame, in part due to the problems of transfer between the units. In the 1989 OPA Foster Care Review Board study of 86 cases, only one case had a formal written DFYS case plan within three months of the placement of the child in foster care.

3. This last year, DFYS created the "Compliance" unit to monitor social workers' compliance with various federal laws and state policies. The division also created several additional mid-management positions. While we recognize the obvious need for supervision and monitoring of job performance, we are concerned that these positions have decreased the potential number of direct service social workers to the detriment of the clients and caseload sizes.

4. Especially in the past year, the level of training and skill of new DFYS social workers seems to have deteriorated. It is our understanding that DFYS provides, at the supervisor's discretion, on-the-job training to new social workers. There also appears to be periodic training on specialized topics but no mandatory or formal preservice training. As a result, our staff have reported to us, again and again, experiences with social workers who appear very unfamiliar with the basic tenets of child protection social work, DFYS policy, and the Alaska statutes. Children have clearly been put at risk of harm by these unprepared social workers.

5. Of similar concern is the decline in the quality of foster parents. There has been an alarming number of children subjected to substantial abuse by foster parents in recent years. In several instances, the abuse committed on the children by the foster parent(s) was far more damaging than the abuse or neglect suffered by the children while in the care of their biological parents. Additionally, multiple foster home placements are the norm. In a 1989 OPA Foster Care Review Board study of cases, only 12 had one foster home placement in three months, and the upper range of placement changes in three months was 11.

We are concerned that the recruitment, screening, training and monitoring of foster parents has become ineffective. We are concerned that these incidents of abuse by foster parents are being handled internally by DFYS and are not being routinely reported to the police for criminal investigation. Our staff are, unfortunately, at the point of considering the risk of abuse

to a child while in a foster home when they are assessing removal of a child from a biological parent's home. A foster home placement may be more dangerous.

6. Every year DFYS designates certain contractual funds to pay for therapeutic services provided by local counseling agencies. We are concerned that the division does not look critically at the quality of these services or their appropriateness for specific clients. For example, in a recent deposition of a primary therapist from one of these agencies, which provides the only outpatient juvenile sex offender treatment in our community, it was learned that she had no formal education in sex offender treatment prior to joining the agency, had minimal experience working with juveniles and had extremely limited knowledge of the Alaska Native population. (Our clients were Native; the minor in question was a young teenage boy who was accused of multiple sexual assaults.) It was little wonder that after almost a year of "therapy" this youth had made no progress and was still unable to leave foster care to be reunited with his family.

7. The Division of Family and Youth Services is often ordered by the court to "discover" the contents of their case files to our offices prior to a contested trial. In recent months, numerous trials have been continued simply because DFYS clerical staff have apparently been unable to find the time to copy these records. This often means a delay of months before the trial can commence. During this time, children usually remain in "temporary" foster care.

8. The Division of Family and Youth Services is required under P.L. 96-272 to conduct periodic case reviews. This federal law requires notification of the parents of this case review so that the parents may attend the meeting. At the present time, DFYS notifies the parents without also notifying the parents' attorney(s). Currently, it is DFYS policy that parents' attorneys not be notified. We believe that, if a parent is represented by legal counsel, DFYS is obligated to notify the attorney of such an important event as these case reviews.

9. When a child is placed in a foster home, the DFYS social worker applies for Medicaid to cover the medical expenses, including psychotherapy, for the child. Presently, it is taking two to four months for the Division of Public Assistance to approve and issue Medicaid coupons. Until the Medicaid is available, the child often receives no therapy, and medical expenses are often covered "out-of-pocket" by the foster parents.

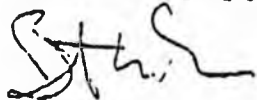
We believe that solutions exist for these concerns. Some options require increased funding, but many are possible with a change in management practices or resource allocation. We hope the

Myra M. Munson
March 1, 1990
Page 4

* department will consider these concerns and develop solutions quickly. As each day passes, hundreds of Alaskan children and parents are waiting for help.

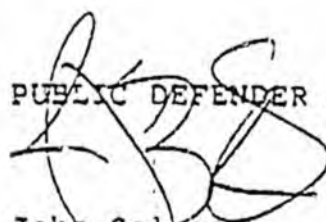
Sincerely,

OFFICE OF PUBLIC ADVOCACY



Brant McGee
Public Advocate

PUBLIC DEFENDER AGENCY



John Salemi
Public Defender

cc: Russell Webb, DFYS Division Director
Linden Stacickas, DFYS Southcentral Region Manager
The Honorable John Reese, Superior Court Judge
The Honorable William Hitchcock, Children's Court Master

E. ADVANTAGES OF CITIZEN REVIEW

Citizen review boards have several advantages not only for the children in foster care, but for the court system, social services system and taxpayers.

By engaging in interdisciplinary cooperative efforts, citizen review systems can make tremendous advances in the delivery of foster care services including the following:

1. enabling changes in the legislature regarding foster care statutes;
2. reducing the number of children in placement, thereby saving tremendous amounts of government dollars;
3. serving an investigative function to aid in appropriate case planning;
4. encouraging and aiding in the recruitment of foster homes;
5. increasing the awareness of the community to the plight of children in care;
6. serving a "check and balance" function to assure that all aspects of the child welfare system are functioning correctly and appropriately;
7. increasing cooperation and communication between various agencies serving children;
8. freeing case workers who might otherwise be conducting reviews to do casework and actually provide services to families;
9. developing new policies, procedures and resources for children in care.

Smith

I. OVERVIEW OF REVIEW SYSTEMS

A. PURPOSE OF FOSTER CARE REVIEW

The purpose of foster care review is to assure that children do not linger unnecessarily in foster care, but rather that they receive the support and benefits of a permanent home. Permanence is defined as a home which holds together during crisis and provides a lasting, trusting, and nurturing environment. The return of the child to the biological family is the ideal permanent goal; however, when this is not possible, the goal becomes to place the child in another stable, permanent home.

B. IMPORTANCE OF REVIEW SYSTEMS

1. Impact of Foster Care on Children

Children need the stability and support of a permanent home and family in order to grow and flourish; they need the sense of lifelong belonging and continuity that only a permanent home can provide. Children in foster care represent a huge potential loss in both financial and human terms.

It is estimated that almost half a million children pass through state foster care systems in this country every year. In fiscal year 1985, for example, federal government figures show that an average of 108,000 children were in foster care in any given month. The foster care system places a financial burden on U.S. taxpayers that was estimated at \$2 billion. The cost in human potential was- and remains- inestimable, since research indicates a direct correlation between child abuse and neglect and later juvenile delinquency and adult criminality.

When a child is placed in foster care, it is intended to be a short-term solution to an emergency situation. In the past, however, all too often foster care placements resulted in the child being destined to obscurity within the child welfare system. The ideal of assuring a permanent home for every child fell by the wayside while the child was set adrift among different foster families and group homes. The child's vital developmental years were lost, since he was neither free to return home to his natural parents nor eligible to be adopted by a new and permanent family.

Throughout the 1970's, judges, social workers, attorneys and child advocacy groups began to recognize that the U.S. foster care system was failing to respond to the needs of many abused and neglected children and their families. Many children were "adrift" in the system without regular or timely review of their placement. Crowded court calendars and understaffed child welfare agencies were contributing to an increase in the number of children and lengths of time spent in substitute care.

Concern for children lingering unnecessarily in foster care continued to mount throughout the decade. Among solutions proposed by child advocacy organizations were the comprehensive implementation of permanency planning case work and foster care placement monitoring through regular case reviews. A new resource was also identified to help monitor foster care children and to advocate on their behalf: citizen volunteers.

Abused foster children

Agencies tell state of increase in cases

By SHEILA TOOMEY
Daily News reporter

An alarming number of children placed in foster care by the state of Alaska over the past few years have been abused by their foster parents, enough to prompt a written complaint from the heads of two state agencies charged with protecting the legal rights of abused children.

The charge was made in a letter to Health and Social Services Commissioner Myra Munson from Public Defender John Salemi and Brant McGee, head of the Office of Public Advocacy.

"In several instances, the abuse committed on the children by the foster parents was far more damaging than the abuse or neglect suffered by the children while in the care of their biological parents," the March 1 letter said.

Child protection cases are confidential and no details were provided in the letter, but Munson agreed that a problem exists.

"I guess I think that's a fair characterization," she said.

Please see Back Page, ABUSED

A10 * Anchorage Daily News Friday, March 30, 1990 *

THE BACK PAGE

ABUSED FOSTER CHILDREN: Agencies say number of cases alarming

Continued from Page A-1

According to the department's own statistics, six children have died while in foster care in the past two years. Abuse was the suspected cause in one, said Russell Webb, regional manager for the Division of Family and Youth Services, which supervises foster homes and places children in them. That child died of a "non-accidental head injury."

At least two others were suicides, Webb said.

"We have many wonderful foster parents," Munson said, "but we have been seriously concerned about the number of instances (of abuse) that occur in foster cases."

She vigorously denied an assertion in the letter that her department is burying cases that should be criminally prosecuted by han-

dling them internally instead of reporting them to police.

"That's just flatly not true," Munson said. DFYS, which is responsible for checking all child abuse complaints, uses the same standard for reporting foster parents to the police as it uses to evaluate complete strangers, she said. "We do not handle foster parents differently."

Salemi could not be reached Thursday and McGee was in Juneau, away from the case files and staff complaints on which the letter was based.

The state has approximately 1,050 licensed foster homes statewide, 475 of them in Southcentral Alaska, Webb said. About 1,100 children are currently in foster homes, including 550 in Southcentral.

Last year, 88 complaints of

harm done to children in foster homes were filed, 28 of the complaints were found by the department to be valid and nine foster homes were decertified or closed, he said.

Webb could not say how many cases were reported to the police.

New regulations requiring a full background check of prospective foster parents, including checking fingerprints of all adults in the home against criminal files, are scheduled to go into effect April 1, Munson said. The new rules also will reduce the maximum number of foster children allowed in one home from six to four except in cases involving siblings, she said.

Children who end up in foster homes often have problems that make them difficult to handle and "We believe ... it goes beyond anyone's capacity to care for more

(than four)," Munson said. Too many children, or mismatching children and foster parents creates stress that triggers "inappropriate discipline" or outright abuse.

The Salemi/McGee letter identified other problems with DFYS, including too few social workers, inadequate training, children languishing in "temporary foster care for months because of delays in making decisions about what should be done with them, children being moved from home to home, high staff turnover and inadequate training.

Munson took issue with some details of the complaints, but agreed in general with much of them. Her department is working on many fronts to improve the system, she said, but she held out little hope for a fast, dramatic improvement.

"The failure of the state to adequately fund child protection services is at the heart of most of the problems, she said. "We're getting in this state exactly the system we are paying for."

To cut down on foster-care problems, social workers need lower caseloads and a much larger pool of licensed homes so they can better match children's needs and foster parents' abilities, she said. For the past year, the department has been aggressively seeking foster parents through television ads, speaking to civic groups and getting private business to include brochures in employee pay envelopes.

Without enough homes to choose from, emergencies drive the system, she said. "You're plugging kids in wherever there's an extra bed."

FISCAL NOTE

REQUEST:

Revision Date: _____
 Title: "An Act relating to citizen review panels for certain children in state custody..."
 Sponsor: Representative Collins
 Requestor: House Finance Committee

Agency Affected: Department of Administration
 BRU: Citizens Review Panel
 Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES	347.4	357.0	366.6	366.6	366.6	366.6
TRAVEL	32.5	46.4	45.8	45.8	45.8	45.8
CONTRACTUAL	146.3	142.2	142.2	142.2	142.2	142.2
SUPPLIES	11.1	11.1	11.1	11.1	11.1	11.1
EQUIPMENT	112.0	1.5	1.5	1.5	1.5	1.5
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	649.3	558.2	567.2	567.2	567.2	567.2

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

GENERAL FUND	649.3	558.2	567.2	567.2	567.2	567.2
FEDERAL FUNDS						
OTHER						
TOTAL	649.3	558.2	567.2	567.2	567.2	567.2

POSITIONS:

FULL-TIME	10	10	10	10	10	10
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Any FY90 costs to be absorbed by Department of Administration and Department of Health and Social Services.

See attached.

Prepared by: House Finance Committee Phone: 465-3727
 Division: Co-Chairman Ron Larson Date: 4/4/90
Co-Chairman Lyman Hoffman
 Approved by Commissioner: _____ Date: 4/4/90
 Agency: _____

Distribution (by preparer):

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

The following fiscal information is in reference to the third paragraph of the House Judiciary Committee's memorandum to the House Finance Co-chairs, dated March 21, 1990:

POSITION:	BU	FY91	FY92	FY 93...
Program coordinator, Range 21:	S	\$62,208	64,332	66,132
Assistant coordinator, Range 14:	G	39,912	41,112	42,396
Clerk IV, Range 9, Anchorage:	G	30,990	31,770	32,580
Clerk IV, Range 9, Anchorage:	G	30,990	31,770	32,580
Clerk IV, Range 9, Anchorage:	G	30,990	31,770	32,580
Clerk IV, Range 9, Juneau:	G	30,990	31,770	32,580
Clerk IV, Range 9, Fairbanks:	G	32,040	32,850	33,696
Clerk III, Range 8, Anchorage:	G	29,442	30,192	30,990
Clerk III, Range 8, Juneau:	G	29,442	30,192	30,990
Clerk III, Range 8, Fairbanks:	G	30,426	31,206	32,040
TOTAL Personnel Costs		\$347,430	\$356,964	\$366,564
(Amount of reduction in DOA fiscal note:)		- 47,570	- 114,936	- 118,536
With these reductions, the DOA fiscal note's "Total Operating" expenditure would be:		\$649,330	\$558,164	\$567,164

HB

29

FISCAL NOTE

REQUEST:

Revision Date: 12-26-89
Title: Parimutuel wagering/Alaska
Racing Commission
Sponsor: Representative Larson
Requestor: Senate Judiciary

Agency Affected: Public Safety
BRU: DPS Statewide Support
Component: AK Criminal Records & ID

EXPENDITURES/REVENUES: (Thousands of Dollars) (Inflation not included)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

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

GENERAL FUND	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER/PROG RCPT						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary)

Under Section 2, Public Safety will run criminal history records checks on a small number of individuals. Processing time will involve substantial delays since there are over 13,000 unprocessed fingerprint cards presently backlogged. The small number added by this legislation will not significantly increase the backlog.

Prepared by: M.J. Clemens, Assistant Director
Division: Administrative Services

Phone: 465-4336
Date: 12/26/89

Approved by Commissioner: Arthur English
Agency: Department of Public Safety

Date: 2-14-90
Page 1 of 1

(Handwritten initials)
1/3/90

FISCAL NOTE

REQUEST:

Revision Date: 12-26-89 Agency Affected: Public Safety
 Title: Alaska Racing Commission/ BRU: DPS Statewide Support
offtrack betting
 Sponsor: Senate C&RA Component: AK Criminal Records & ID
 Requestor: Senate Judiciary

EXPENDITURES/REVENUES: (Thousands of Dollars) (Inflation not included)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

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

GENERAL FUND	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER/PROG RCPT						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary)

Under Section 2, Public Safety will run criminal history records checks on a small number of individuals. Processing time will involve substantial delays since there are over 13,000 unprocessed fingerprint cards presently backlogged. The small number added by this legislation will not significantly increase the backlog.

Prepared by: M.J. Clemens, Assistant Director
 Division: Administrative Services

Phone: 465-4336
 Date: 12/26/89

Approved by Commissioner: Arthur English
 Agency: Department of Public Safety

Date: 2-14-90
 Page 1 of 1

MJC
11/3/90

FURTHER

JUD
FIN

4/14/89

DATE TURNED INTO OFFICE 5/5/89

Mr. President:

L&C Committee considered CSHB 29 (L&C) am

establishing the Alaska Racing Commission and authorizing parimutuel
wagering at sanctioned events; efd

and recommended

- replace with S CS CSHB 29 (L+C) am) same title
- or adopt _____ CS _____) new title
- attached amendment(s) and technical title change (HB only)
- _____ letter of intent adopted

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

- FISCAL NOTE(S) zero fiscal impact appropriation no FN
- new DC+ED 5/6/89 updated previous
- same as previous fiscal note(s) published 2/3/89

Dept of Law 1/18/89
Dept of Public Safety 1/18/89

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

Patricia Rydley do not pass
Jan. Fish do not pass.
J. H. [unclear] Do Not Pass
[unclear] No Rec.

Chairman signature and recommendation

Committee Backup attached

HB 29

The Community and Regional Affairs Committee considered CS
FOR HOUSE BILL NO. 29 (L&C) am (An Act establishing the
Alaska Racing Commission and authorizing parimutuel wagering
at sanctioned events; and providing for an effective date).
Senator Adams, Chair, signed "do not pass." Senators
Pourchot, Frank and Pearce signed "no recommendation."
Senator Szymanski signed "do pass."

Previous House zero and fiscal notes.

CS FOR HOUSE BILL NO. 29 (L&C) am was referred to the Labor
and Commerce Committee.

Selection=>

PF1	PF2	PF3	PF4	PF5	PF6	PF7	PF8	PF9	PF10	PF11	PF12
HELP		EXIT	MENU		PRINT	BWD	FWD		FIRST	LAST	QUIT

B005-LAST PAGE

STATE OF ALASKA
1989 LEGISLATIVE SESSION

BILL VERSION: CSHB 29 (L&C)
PUBLISH DATE: HOUSE 2/3/89

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Public Safety
Title: "An Act establishing the Alaska Racing Commission..." BRU: Alaska State Troopers
Sponsor: Representative Larson Component: _____
Requestor: House Labor & Commerce

EXPENDITURES/REVENUES: (Thousands of Dollars) (Inflation not included)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
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	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

Under Section 2 of the bill, the Department of Public Safety will be required to run criminal history checks on certain individuals. Because the number of persons whose records must be checked is expected to be very small, the Department believes that this impact can be absorbed using existing staff and resources.

Prepared by: Gavle A. Horetski, Deputy Commissioner
Division: Office of the Commissioner

Phone: 465-4322
Date: 1/18/89

Approved by Commissioner: A.A. English
Agency: Department of Public Safety

Date: 1-19-89

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: "An Act establishing the Alaska
Racing Commission . . ."
Sponsor: Representative Larson
Requestor: House Labor & Commerce

Agency Affected: Department of Law
BRU: Legal Services
Components: Operations

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	-0-	75.0	-0-	-0-	-0-	-0-
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	75.0	-0-	-0-	-0-	-0-
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	75.0	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Please see the attached analysis.

Prepared by: Richard I. Pegues, Director
Division: Administrative Services,
Approved by Commissioner: Richard I. Pegues
Grace Berg Schauble, Atty General
Agency: Department of Law

Phone: 465-3672
Date: January 18, 1989
Date: January 18, 1989

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

CONTINUATION of FISCAL NOTE ANALYSIS

No. 2
CSHB 29 (L&C)
HOUSE 2/3/89

This bill amends AS 05 by establishing the Alaska Racing Commission and by authorizing parimutuel wagering at sanctioned horse race events. The bill provides that the commission, and its staff, would be responsible for regulating all sanctioned events under a comprehensive regulatory scheme that covers nearly every aspect of race operations and wagering. It is our view that a substantial body of regulations will need to be drafted and adopted to carry out the purposes of this bill. We are therefore requesting \$75,000, as a one-time expense, to handle the drafting effort. We believe that this is the minimum amount necessary to insure proper regulatory oversight, if this form of legalized wagering is authorized in the state.

Unfortunately, we cannot predict future legal costs that may occur once sanctioned racing is established, because of our total lack of experience in this area. It is conceivable, however, that if racing becomes well established that at least one civil attorney and one criminal attorney, plus support costs, could be required on a continuing basis due to racing activity. Because of the severe budget constraints that have already been felt by the department, and because of further budget reductions that may take place in FY 90, it will be necessary to request additional funds when and if racing activities so warrant.

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Commerce & Econ. Dev.
 Title: An Act establishing the Alaska BRU: Alaska Racing Commission
Racing Commission & authorizing parimutuel wagering
 Sponsor: Representative Larson Components: _____
 Requester: Senate Labor & Commerce

EXPENDITURES / REVENUES : (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES			50.6	101.1	150.7	150.7
TRAVEL			7.6	9.2	9.8	9.8
CONTRACTUAL			17.9	35.4	40.4	40.4
SUPPLIES			2.5	2.5	3.0	3.0
EQUIPMENT			11.4			
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	90.0	148.2	203.9	203.9

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

REVENUE	0	0	68.4	261.4	522.8	522.8
---------	---	---	------	-------	-------	-------

FUNDING: (Thousands of dollars)

GENERAL FUND			90.	148.2	203.9	203.9
FEDERAL FUNDS						
OTHER						
TOTAL	0	0	90.0	148.2	203.9	203.9

POSITIONS:

FULL-TIME	0	0	2	2	2	2
PART-TIME			0	0	2	2
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary.)

The effective date of this legislation is July 1, 1990; therefore, no costs would be incurred until FY 91. See attached analysis. As the commission will set licensing and permit fees by regulation, it is not possible at this time to estimate revenues generated by those fees. The fees will be established at

Prepared by: Linda Wild, Special Assistant Phone: 465-2500
 Division: Commissioner's Office Date: 4/25/89

Approved by Commissioner: Larry Mercurief, Commissioner Phone: 465-2500
 Agency: Dept. of Commerce & Economic Development Date: 4/25/89

Distribution (by preparer):

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

ANALYSIS: (continued)

a level sufficient to cover cost of regulation of the events. Once the commission has adopted regulations and fees have been established, the commission will request program receipt authority to cover the cost of regulation.

FY 91 EXPENDITURE DETAIL

PERSONAL SERVICES

Executive Director, Range 24A, 6 months	\$36,700
Clerk-Typist III, Range 8A, 6 months	<u>13,867</u>
SUB-TOTAL:	\$50,567

TRAVEL

Three commission meetings in the Anchorage area at 2 days each. This travel assumes three commissioners are appointed from the Anchorage area, one from Fairbanks, and one from Juneau. The staff positions are located in Anchorage.	4,194
Director's Travel (one trip to inspect and review small racing commission operations in Michigan, Maine and New Hampshire)	2,120
1 Event (8 days; 2 Anch. mem.)	1,280
SUB-TOTAL:	\$ 7,594

CONTRACTUAL

Once race meets are authorized, contractual funds will be used for audits, inspections, clockers, veterinarians, judges, hearing officer, etc.	\$ 7,500
Postage, Communications, Printing, Advertising, etc.	\$ 5,000
Office Space rent	<u>5,400</u>
SUB-TOTAL:	\$17,900

SUPPLIES	\$ 2,500
-----------------	-----------------

EQUIPMENT (one time costs only)

Desk, double pedestal, 70" x 36"	\$ 705	
Chair, swivel with arm	653	
Typewriter, IBM Selectric III	1,201	
Chair, side without arms	187	
Desk Calculator	138	
File Cabinet, 5-drawer, legal w/lock	402	
Table, 72" x 36"	325	
Wang terminal	2,100	
	\$5,711 x 2	\$11,422

FY 91 TOTAL GENERAL FUND EXPENDITURES	\$90,000
--	-----------------

mm0588t

FY 91 REVENUE DETAIL

- One six day event:

18,000 players (estimate based on 3,000
per day for six days)

Handle of \$504.0 in total receipts based
on an average wager of \$28 (Montana's average)

A takeout of 35%, with a State share of
10%, equals state revenues of \$50.4 per event. \$50,400

- \$1.00 per person gate fee equals \$18,000 in
State Revenues (\$1.00 times 18,000 players) 18,000

FY 91 ESTIMATED TOTAL REVENUE \$68,400

FY 92 EXPENDITURE DETAIL

PERSONAL SERVICES

Executive Director, PX, Range 24A, 12 months \$ 73,400
Clerk-Typist III, PX, Range 8A, 12 months 27,736

SUB-TOTAL: \$101,136

TRAVEL

Four Commission meetings in Anchorage area \$ 5,600
2 - Events (8 days; 2 Anch area Commissioners @ \$1280 ea.) 2,560
Director's travel 1,000

SUB-TOTAL: \$ 9,160

CONTRACTUAL

Postage, Communications, Printing, Advertising, etc. \$ 5,000
Office Space rent 5,400
Contractual costs to provide services of an auditor
and investigator, inspections, hearing officer, etc. 25,000

SUB-TOTAL: \$ 35,400

SUPPLIES \$ 2,500

FY 92 TOTAL GENERAL FUND EXPENDITURES: \$158,196

FY 92 REVENUE DETAIL:

- Two (2) six day events

34,400 players per event (estimate based
on approximately 5,700 players per day
during each six day event)

Handle of \$963.2 in total receipts at each
six-day event based on an average wager of
\$28 (Montana's average)

A takeout of 35%, with State share at 10%,
generates State Revenues of \$96.3 per event,
or \$192.6 for the two events.

\$192,600

- \$1.00 per person for the two events equals
\$68.6 in revenue (\$1.00 times 68,800 people
equals \$68.8)

68,800

FY 92 ESTIMATED REVENUE TOTAL: \$261,400

FY 93 EXPENDITURE DETAIL

PERSONAL SERVICES

Executive Director, PX, Range 24A, 12 months	\$ 73,400
Clerk-Typist III, PX, Range 8A, 12 months	27,736
Race Stewards, Range 18A, 2 @ 6 months each	<u>49,575</u>

SUB-TOTAL: \$150,711

TRAVEL

Four Commission meetings in Anchorage area	\$ 5,600
4 - Events (8 days; by 3 members from Anchorage area and one from Fairbanks)	3,184
(2 Anch. mbrs.: \$80 x 8 x 2 = 1280)	
(1 Anch. mbr: \$80 x 8 x 2 = \$1,280 +	
1 Fbx. mbr: \$232 + \$80 x 9 (extra day)	
x 2 = 1,904)	
Director's travel	<u>1,000</u>

SUB-TOTAL: \$ 9,784

CONTRACTUAL

Audits, investigations, inspectors, hearing officer, etc.	\$ 30,000
Postage, Communications, Printing, Advertising, etc.	5,000
Office Space rent	<u>5,400</u>

SUB-TOTAL: \$ 40,400

SUPPLIES \$ 3,000

FY 93 TOTAL GENERAL FUND EXPENDITURES: \$203,895

FY 93 REVENUE DETAIL:

- Four (4) six day events	
- 34,400 players per event (estimate)	
- Handle of \$963.2 in total receipts per event based on average wager of \$28 (Montana's average)	
- A takeout of 35%, with State share of 10% of the revenues generated, equals State Revenues of \$96.3 per event, or \$385.2 for the four estimated events.	\$385,200
- \$1.00 per person per event generates \$137.6 in revenue (\$1.00 times 34,400 times four events)	<u>137,600</u>
FY 93 Estimated Revenue	\$522,800

Edward S. Solomon
P.O. Box 190688
Anchorage, Alaska 99519
phone..... (907) 562-6938
FAX..... (907) 562-6428
November 21, 1989

Honorable Jan Falks
Senator
Alaska State Legislature
Post Office Box V
Juneau, Alaska 99811

Re: HB29

Dear Sen. Falks:

I am opposed to the proposal to allow racetrack gambling in Alaska. Supporters of HB29 very cleverly dressed up this form of gambling and gave it the innocuous sounding name of "parimutuel wagering", but a cesspool by any other name is still a cesspool.

The expendable income of Alaskans and visitors who lose money at the track will go down the rat hole. Tourists will have no money for an excursion to the bush, or a fly-in fishing trip. There will be Alaskans who will become compulsive gamblers, losing money originally intended for their children's education, followed by burdening their debt with a second mortgage on their homes. Money Alaskans earn is typically spent through a "multiplier effect", whereby those dollars buy goods and services from other Alaskans. Money lost at a racetrack has no multiplier effect, as it goes down a rat hole. Please note that any money "won" by a patron at a racetrack is promptly lost when he or she bets on the next race.

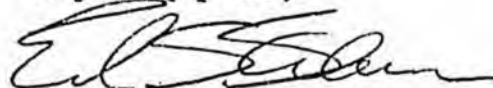
While supporters of this bill point to potential tax revenues and new jobs created by the racetracks, how many "stablehands" will the State of Alaska have to employ to salvage the lives destroyed by compulsive gambling? How much money will the State of Alaska have to spend in the form of "public assistance"? Who will pay for the added police officers, jail cells, courtroom facilities, and other services that the state will have to provide when the racetracks bring the crime associated with their industry?

Even if you could absolutely guarantee that organized crime would not control the racetracks, it is well known that the Mafia controls many "support" businesses and labor unions associated with the racing industry.

The lions share of a racetrack's "take" is from local compulsive gamblers, not from tourists or from a \$2 bettor. Mafia loan sharks will be running to Alaska to further ensnare Alaskans who have become compulsive gamblers. The loan sharks will take over additional legitimate businesses when the gambler cannot pay, forcing Alaskans who are employed by those firms to work for the Mob.

Please do not bring these Outside problems to Alaska.

Very truly yours,



Edward S. Solomon



The Mapmakers

259 South Alaska Street • Palmer, Alaska 99645 • (907) 745-3398

November 22, 1989

Senator Jan Faiks
6060 Yukon Drive
Anchorage AK 99516

LOCAL OPTION FOR PARIMUTUEL WAGERING - HB 29

Dear Senator:

Due to the weather, I had to miss yesterday's teleconference on the above issue. Please accept my written statement in support of this bill instead.

The bill has received strong support from the business community in the Mat-Su Valley. Resolutions by the Palmer Chamber of Commerce to support the local option were passed. During an advisory-type vote a couple of years ago, voters were in favor of the issue by about 58 percent - a majority that is difficult to achieve in any election.

During 1988/89 year, the Alaska State Chamber of Commerce added the Local Option for Parimutuel Wagering to their list of legislative priorities, showing strong support by business leaders around the state.

To make this issue a moral one is hardly appropriate. The question is, are local municipalities to be given the freedom to give their electorate the choice of voting on an issue that is of concern to them. The debate concerning morality is premature. First, give the residents of a community the choice decide to vote an issues they find important.

Sincerely,

A handwritten signature in cursive script that reads 'Britt Lively'.

Brigitte "Britt" Lively

Alaska State Legislature



Rep. Ronald L. Larson
CO-CHAIRMAN
(907) 485-3727

INTERIM ADDRESS
P.O. Box 53
Palmer, Alaska 99645
(907) 745-3826

Rep. Lyman Hoffman
CO-CHAIRMAN
(907) 465-3708

INTERIM ADDRESS
P.O. Box 886
Bethel, Alaska 99559
(907) 543-3541

RECEIVED

House of Representatives FEB 5 1990

Committee on Finance
P.O. Box V
Juneau, Alaska 99811

JAN FAIKS
SENATE OFFICE

MEMORANDUM

February 2, 1990

TO: Senator Jan Faiks, Chairman
Senate Judiciary Committee

FROM: Representative Ronald Larson, Co-chairman
House Finance Committee

SUBJECT: HB 29, an Act establishing the Alaska Racing Commission

As agreed at the November 21 Senate Judiciary Committee in Anchorage, I am reporting to you on statements from law officials from Outside states regarding parimutuel wagering. I will be happy to make these statements available to the Committee at the next scheduled hearing of HB 29.

Enclosed you will find copies of these letters.

Again, I want to emphasize my willingness to work with you, the Judiciary Committee, and anyone with any concerns about the provisions of this bill. I have appreciated the time you have afforded me both with the Committee and with your friends.

Please feel free to get in touch if you have any questions or comments.

Whatcom County

Courthouse,

Bellingham, Washington 98225



LARRY MOUNT, SHERIFF

Phone 676-6650
Phone 384-5360

January 25, 1990

The Honorable Ronald Larson
Representative, Alaska State Legislature
P.O. Box 53
Palmer, Alaska 99645

Dear Sir:

The question of horse racing and its impact on law enforcement on the community is an easy question to answer. For Whatcom County it has had very little impact. We do have some traffic congestion at times, but the facility has adequate parking for its operation.

As for peoples conduct we have only had a few problems in this area. Those were mainly people who were intoxicated. I feel the main reason for so few problems is Longacres race people have hired a uniform deputy to be on location during all open business hours. Being a small physical location, the deputy may pass thru all areas easily and have good crowd control.

The State Racing Commission has its separate enforcement group and supervises the betting and jockey conduct. The commission itself set its regulations governing the racing operation.

As taverns and other entertainment establishments work, the race tracks also have their informal program to bar known trouble makers. They network this information across the state to each track operation.

I have been to the Seattle facility and talked with the leaders of the law enforcement agencies in that area and they report very small workloads because of the horse racing program in their area.

The Washington Association of Sheriffs and Police Chiefs have strongly opposed the increase in legalized gambling in our state. We continue to see organized crime operations trying to get involved in our bingo and casino fund raisers for charitable organizations, especially in the Native American operations. But the horse racing industry has not appeared to have this type of intrusion.

I hope this has addressed some of the questions you have. If I can be of any further assistance please do not hesitate to call on me.

Respectfully yours,

LARRY E. MOUNT, Sheriff
Whatcom County

LEM/nh



CITY OF
San Bernardino

POLICE DEPARTMENT
DANIEL A. ROBBINS
CHIEF OF POLICE

December 21, 1989

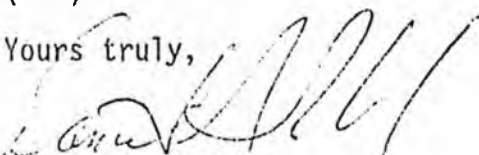
Bruce Matthias, Director
Simulcast Development L.A. Turf Club
285 W. Huntington Drive
Arcadia, CA 92006

Dear Mr. Matthias:

Reference the National Orange Show's off-track horse racing, I would like to make comment. The facility has not had an increase in calls for service nor have I seen a measurable rise in the crime rate for that area. I am also not aware of any organized crime that might be utilizing and/or controlling the operations. We enjoy a very good relationship with the Orange Show and see it as a real plus for our community.

Should you have any questions concerning my comments, please reach me at (714) 384-5607.

Yours truly,


Daniel A. Robbins
Chief of Police

cgr

cc: Esther Armstrong, N.O.S.

RECEIVED
JAN 5 1990
MARKETING

The Police Commission welcomes information sharing and public input.
The Commission meets on the second Monday of each Month at 7:30 p.m.

POST OFFICE BOX 1559, SAN BERNARDINO,
CALIFORNIA 92401-1559 714/383-5011





POLICE DEPARTMENT

CITY OF *Indio* CALIFORNIA

46-800 JACKSON STREET • PHONE (619) 347-8522 • INDI0, CALIFORNIA 92201

JERRY N. GRAVES
CHIEF OF POLICE

W. PHILLIP HAWES
CITY MANAGER

December 19, 1989

Mr. Bruce Matthias
Director of Simulcast Operations
C/O Santa Anita
285 W. Huntington Drive
Arcadia, CA 91007-3439

Dear Mr. Matthias:

Mr. Bob Latzo, Facility Manager of the Shalimar Sports Center in Indio, has asked me to discuss any possible crime-related problems or issues associated with this operation. The Sports Center is located on the grounds of the Riverside County National Fairgrounds, located at 46-350 Arabia Street, Indio.

This facility opened on May 18, 1988, and has been operational since that time. Our Department initially believed that there may be minor increases in traffic accidents, intoxicated persons/drivers or disturbances occasioned by persons drawn to the Center. This belief was inaccurate and our records reflect very few and relatively minor incidents on the grounds. We have found the grounds managers and security personnel have consistently proven themselves as tremendous professionals. They are able to decipher potential problems and promptly resolve issues in an orderly manner without requiring our local police services.

We continue to enjoy a great working relationship with fairgrounds personnel and it certainly appears that the Sports Center has added a safe adult recreational dimension to our City. Please call me at (619) 347-8522 if I may provide you any further information or assistance.

Cordially,

JERRY N. GRAVES
CHIEF OF POLICE

JNG/gm

cc: Mr. Bob Latzo, Facility Manager
Shalimar Sports Center

RECEIVED
DEC 23 1989
MARKETING

1989 OPERATORS

OL89-0001
 JOSEPH NYQUIST
 PULL-TAB CITY
 1255 AIRPORT WAY
 FAIRBANKS AK 99701

OL89-0003
 JAY H HURISON JR
 BINGO SAMS
 2504 EIDE STREET #17
 ANCHORAGE AK 99503

OL89-0005
 ROBERT D THOMAS
 LOTTERY ALASKA
 430 C STREET SUITE 202
 ANCHORAGE AK 99503

OL89-0007
 SUE GRIFFIN
 CAFRA/NORTHER LIGHTS BINGO
 3707 WOODLAND DRIVE
 ANCHORAGE AK 99517

OL89-0009
 STEVE COOPER
 RIPPIE TOWN
 BOX 90493
 ANCHORAGE AK 99508

OL89-0011
 KENNETH A DOLE
 KING OF KINGS SALMON TOURNEY
 BOX 6440
 KETCHIKAN AK 99901

OL90-0013
 H. GREGORY OCZEKUS
 BONANZA BINGO
 PO BOX 203147
 ANCHORAGE, AK 99520

OL89-0002
 JOHN BLOMFIELD
 FUND RAISING CONCEPTS
 1525 N STREET
 ANCHORAGE AK 99501

OL89-0004
 EDWARD A DILLEY
 THE POP SHOPPE
 1705 CARR STREET
 FAIRBANKS AK 99709

OL89-0006
 PETER D KRAEHER
 NORTH STAR BINGO
 6510 LAKEWAY DRIVE
 ANCHORAGE AK 99502

OL89-0008
 DWIGHT A HUBBIDE
 ALASKA INDOOR SPORTS
 215 PLAZA PORT WEST
 KETCHIKAN AK 99901

OL89-0010
 LILLIAN (RUTH) SHANNON
 EMERALD ISLE PULL-TABS
 972 FARMERS LOOP ROAD
 FAIRBANKS AK 99712

OL89-0012
 SHIZUE RUEBEL
 TAKE A CHANCE
 1833 BRIDGEWATER DRIVE
 FAIRBANKS AK 99709

OL90-0014
 JAMES M. HARMAN
 RIPPIE WORLD
 PO BOX 232091
 ANCHORAGE, AK 99523

OPERATOR/wpdocs
 01/24/90



CHURCH PHONE (907) 745-3522

RES. PHONE (907) 745-4392

UNITED PROTESTANT CHURCH

HENRY P. (MOTTE) PASTOR

BOX 699

PALMER, ALASKA 99645

March 20, 1989

Senator Al Adams
Box V
Juneau, Alaska 99811

Dear Senator,

You get many letters asking your support for various causes and this letter is no different. Economics more than theology is my major concern in this letter. My comments are my own and not necessarily those of the congregation.

The Alaska State Fair and the Palmer Chamber of Commerce are campaigning for a bill that will legalize parimutuel betting in Alaska. The fair does it because there will be increased profit. The chamber does it feeling that this will help the ailing business community in the valley.

There is no popular movement in the valley crying out for parimutuel. The borough residents recently voted to establish a law to forbid nude dancing in the bars. That was a surprise to me.

My original home was Omaha, Nebraska where there is a large race track open much of the summer. For those related to the track there is added profit. Business as a whole suffers during the racing season. Businessmen complain of reduced sales and unpaid bills. They contend that money that would go to them goes to the track instead.

During the racing season the police have added activity dealing with the compulsive gamblers, increased property theft, and added child neglect. Parimutuel at Palmer would affect the entire Anchorage area.

The sagging economics of the valley and area would be helped more by the jobs created by the Wishbone Mine and Hatcher Pass ski area. The increase sales of hay to the horses would not be a big help to the valley. Horse racing will hurt people and business. Please consider **letting parimutuel die in committee.**

The familiar reason "gambling is here already so legalize it" is poor logic. To carry this forward we would need to legalize cocaine, bank robbery, and rape as it is already here.

My second issue concerns the food stamp program and the AFDC money. Everyday I deal with people in a large food bank operation at the church. At least once a week I give food to a new resident of the state who tells me, "we moved to Alaska because there is better welfare here than our home state." One single parent gave that reason for flying here with her five children from Florida.

Is there some way to help those who are in need without feeding the greed of those who want to be permanently supported by welfare? Raising benefits will attract more professional welfare receivers. Increasing the staff at the Public

assistance offices would allow more time to sort out the needy from the greedy. Greater benefits could go to those truly in need while eliminating so much of the fraud. (selling food stamps, working and receiving welfare by using two different names, etc.) I have only praise for the fine people at the Wasilla Public Assistance Office.

My thanks go to those who in previous session enacted some tort reform.

I'm a 17 year resident of Palmer and prior to that spent part of 9 years in Fairbanks. I'm on the board of the Palmer Chamber and a regular volunteer at the state fair. The chamber and fair people are good people who don't understand all the issues of parimutuel. No one, including me, understands all the welfare issues.

I want to thank you, and/or your staff member for taking time to read this.

Sincerely,



Henry P. Guinotte

File with 17B SL

CITY OF PALMER, ALASKA

ORDINANCE NO. 321

AN ORDINANCE CREATING A NEW CHAPTER 3.32 OF TITLE 3 OF THE PALMER MUNICIPAL CODE ENTITLED PARI-MUTUEL WAGERING ON CERTAIN HORSE RACES.

THE CITY OF PALMER, ALASKA, ORDAINS:

Section 1. Classification. This ordinance shall be of a permanent nature and shall become a part of the City of Palmer Code of Ordinances.

Section 2. Severability. If any provisions of this ordinance, or any application thereof to any person or circumstance is held invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

Section 3. Chapter 3.32-Pari-Mutuel Wagering of Title 3 of the Palmer Municipal Code is hereby created as follows:

3.32.010 General. Pari-mutuel betting on horse racing may be permitted under this chapter to the extent not prohibited by Alaska State Statutes.

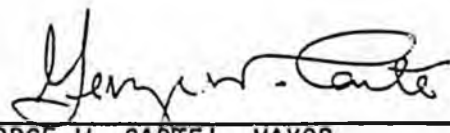
3.32.020 Sales Tax Applicability. A two (2) percent sales tax shall be charged on all gate admissions, concessions and gross monies deposited in the pari-mutuel system, to the extent not prohibited by Alaska State Statutes.

Section 4. Publication and Effective Date. This ordinance shall become effective immediately upon its adoption and publication shall be by posting a copy hereof on the City Hall bulletin board for a period of ten (10) days following its adoption, and it shall be published by being printed and included in the Palmer Municipal Code at its next regular supplementation and printing. A notice of public hearing shall be given by such posting at least five (5) days before final passage.

First Reading: August 1, 1985

Public Hearing & Second Reading: August 13, 1985

Adopted by the City Council of the City of Palmer, Alaska, this 13th day of August, 1985.



GEORGE W. CARTE, MAYOR

DAVID L. SOULAK, CITY CLERK



CITY OF WASILLA

P.O. BOX 870430
WASILLA, ALASKA 99687
PHONE: 376-5227

Requested by: Mayor Bumpus
Prepared by: Mayor's Office

RESOLUTION NO. W85-J-6

A RESOLUTION OF THE CITY OF WASILLA SUPPORTING LOCAL OPTION FOR PARI-MUTUEL GAMBLING.

WHEREAS, the State of Alaska no longer has the funds to support local Capital Improvements that accomodates current growth patterns; and

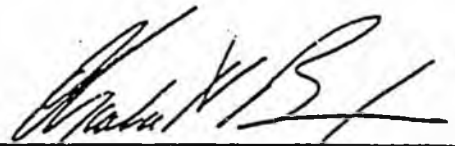
WHEREAS, it is the City of Wasilla's goal to become financially independent, if possible; and

WHEREAS, Pari-Mutuel Gambling would enhance economic development and provide a major tax revenue source for the City of Wasilla;

NOW, THEREFORE BE IT RESOLVED that the City of Wasilla supports local option for pari-mutuel gambling.

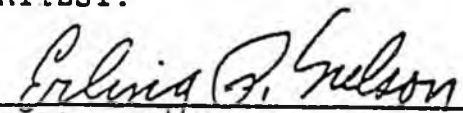
I certify that a resolution in substantially the above form was passed by a majority of those voting at a duly called and conducted meeting of the governing body of the City of Wasilla this 12th day of August, 1985.

APPROVED:



Charles H. Bumpus, Mayor

ATTEST:



Erling P. Nelson, City Clerk, CMC

(SEAL)

Presented by: Silvers
Introduced: 03/03/87
Drafted by: G.L.S.

MATANUSKA-SUSITNA BOROUGH

Resolution Serial No. 87-032

A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH SUPPORTING
HOUSE BILL 32 AND SENATE BILL 63.

WHEREAS, the Alaska State Legislature has pending before it House Bill 32 and Senate Bill 63 that would authorize state controlled parimutuel betting on horse and dog racing where approved at a local option election, and

WHEREAS, the voters in the cities of Palmer and Wasilla have previously approved in an advisory vote the conduct of certain parimutuel wagering within their boundaries, and

WHEREAS, parimutuel wagering would create a direct source of revenue for the state and thereby reduce the need for new or increased state taxes, and

WHEREAS, authorization of parimutuel wagering would make possible a new, non-polluting industry in Alaska, and

WHEREAS, horse and dog racing in the borough would create a demand for feed, pasture and other agricultural products and services related to animal husbandry that are readily available in the borough, and

WHEREAS, horse and dog racing in the borough would be a tourist attraction for Alaska, bringing visitors from other states as well as other areas of Alaska, and

WHEREAS, horse and dog racing in the borough would generate additional use of the Alaska Railroad, and

WHEREAS, construction and operation of a race track and associated facilities and concessions in the borough would provide new employment opportunity for Alaskans;

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE MATANUSKA-SUSITNA BOROUGH:

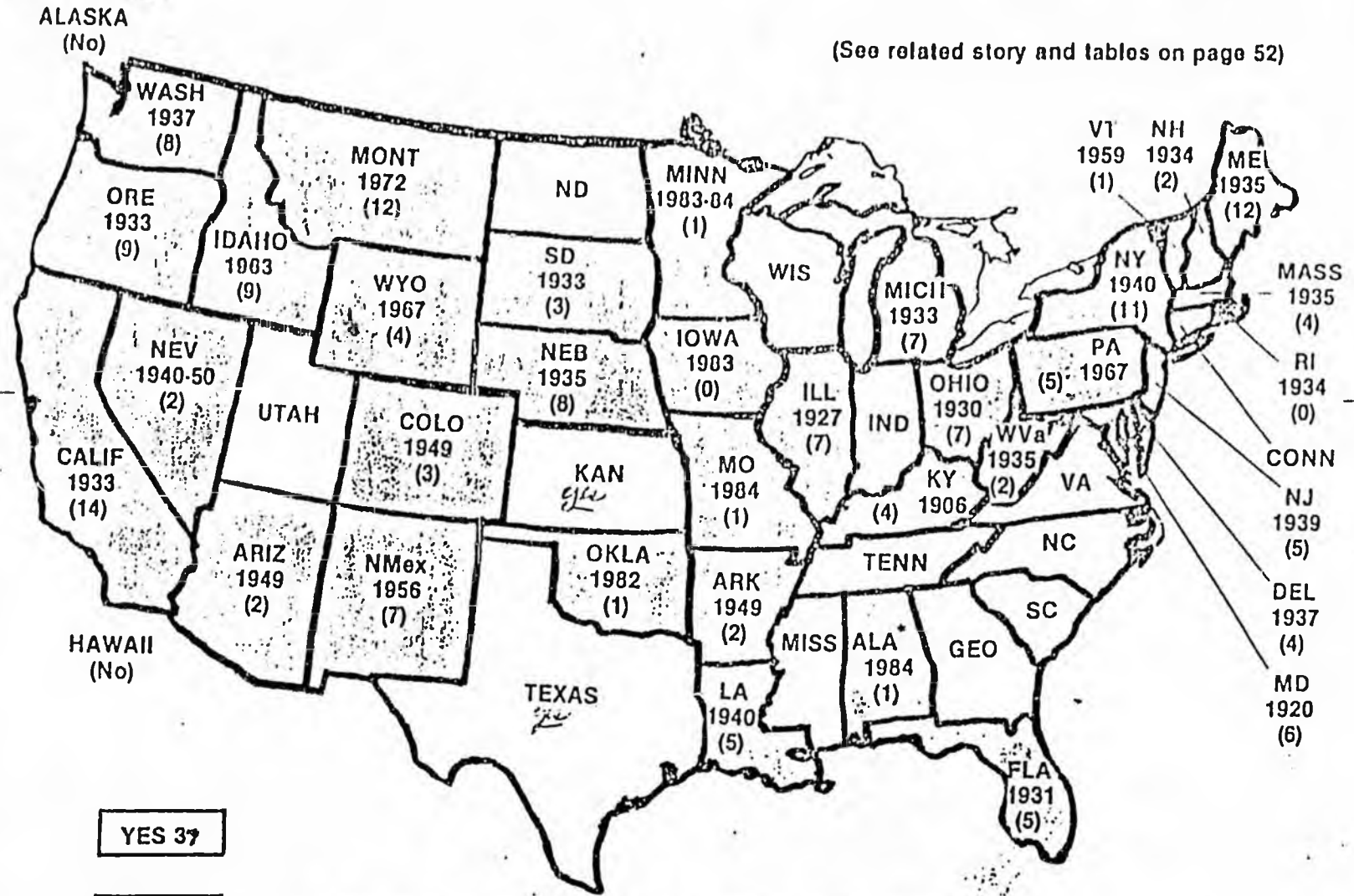
1. That the Assembly supports the concept of state controlled parimutuel wagering on horse and dog racing when locally approved and as generally set out in House Bill 32 and Senate Bill 63 and strongly urges the legislature to adopt legislation authorizing parimutuel wagering on such racing.

Performance horse

racing

Parimutuel wagering: A look at where it's at

(See related story and tables on page 52)



YES 37

NO 13

() number of licensed parimutuel horse tracks including fairs

STATE OF ALASKA
THE LEGISLATURE

POUCH Y STATE CAPITOL
JUNEAU, ALASKA 99811
907 465 3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

February 28, 1989

SUBJECT: Sectional analysis of CSHB 29(L&C)
TO: Representative Ron Larson
FROM: Terri Lauterbach *TL*
Legislative Counsel

The following is a sectional analysis of CSHB 29(L&C).

Please note that a section-by-section analysis or summary of a bill should not be considered an authoritative interpretation of the bill. The bill itself is the best statement of its contents.

Section 1. Section 1 of the bill provides for the creation of a commission to regulate racing and parimutuel wagering.

ARTICLE 1. ALASKA RACING COMMISSION.

Sec. 05.40.010 establishes the Alaska Racing Commission in the Department of Revenue. The commission is composed of five members appointed by the governor. One member of the commission shall have experience in the regulation, supervision, or conduct of parimutuel wagering or horse racing, one member shall have experience in law enforcement, one member shall have experience in bookkeeping or accounting, and two members shall be public members. Members of the commission must be residents of the state. A person may not be appointed to the commission if that person has been convicted of a felony or gambling offense. A person may not serve as a member of the commission until a background check is completed by the Department of Public Safety. The commission members elect the chairman. Three members of the commission constitute a quorum.

Sec. 05.40.020 sets the term of appointment to the commission at four years.

Sec. 05.40.030 establishes procedures for removal of a member from the commission.

Sectional Analysis

Sec 05.40.040 provides that members of the commission receive no salary but do receive per diem and travel expenses authorized for boards and commissions when the members are serving on the board.

Sec. 05.40.050 sets out the duties and powers of the commission. The commission shall adopt regulations concerning licenses and special permits for persons subject to the jurisdiction of the commission, appointment of officials to monitor races, distribution of the parimutuel pool, veterinary standards for races, the equipment used for parimutuel wagering, auditing procedures, and other matters related to horse racing and parimutuel wagering. The commission shall also regulate races, inspect race tracks and racing animals, establish racing dates and durations, sanction racing at specific locations, set fees, make an annual report to the commissioner of revenue and the legislature by February 15 of each year, keep detailed records of race meets and all collections and disbursements, and supervise parimutuel pools.

The commission may hire staff, compel witnesses to appear before the commission, compel production of documents of race meet operators, appoint hearing officers, and impose, by regulation an admission surcharge for races meets without regard to whether the race track charges admission.

Sec. 05.50.060 provides that commission employees are in the partially exempt service.

Sec. 05.40.070 provides that the Attorney General will enforce the regulations of the commission.

Sec. 05.40.080 provides that the records of the commission are public.

Sec. 05.40.090 provides that money received by the commission shall be paid into the state's general fund.

ARTICLE 2. RACE MEETS.

Sec 05.40.100 requires that a person conducting a race meet be licensed by the commission. A race meet operator's license is valid for three years unless revoked or suspended. The race meet operator has the exclusive right to operate or contract for the operation of concessions at the site

of the race meet. A person convicted of a felony or a gambling offense may not receive a license to conduct a race meet.

Sec. 05.04.110 provides that a person may not participate in a race meet as an animal owner, trainer, jockey, driver, attendant, groom, stable hand, veterinarian, employee of the race meet operator, concessionaire, or concession employee without receiving a special permit issued by the commission. A special permit is valid for one year unless revoked or suspended.

Sec. 05.40.120 prohibits the commission from sanctioning a race within a municipality unless the voters of the municipality have approved a referendum authorizing parimutuel wagering on horse races within the municipality and the municipality, after holding a public hearing, approves issuance or renewal of the license.

Sec. 05.40.130 provides that the parimutuel pool shall be distributed 65 percent to the holders of winning tickets, 15 percent to the race meet operator, 10 percent as purse money, and 10 percent to the commission. The amount of the pool distributed to holders of winning tickets shall be at least 65 percent and may be increased by the commission if the commission finds that it is necessary to promote efficient and successful race meets. The commission may adjust the distribution of the remaining 35 percent of the pool among purse money, the race meet operator, and the commission as necessary.

Sec. 05.40.140 provides that the race meet operator shall report to the commission within 30 days after each race on the distribution of the parimutuel pool. The race meet operator shall report to the commission on the operation and proceeds of concessions at the site of the race meet within 30 days after the end of the race meet.

Sec. 05.40.150 provides that the commission may appoint persons, including members of the commission, to serve as observers of race meets. An observer shall be present at the site of a race meet on the day before, the day after, and during the race meet.

ARTICLE 3. GENERAL PROVISIONS.

Sec 05.40.900 provides that the commission is subject to the Administrative Procedure Act.

Sec. 05.40.910 provides that members of the commission are subject to the prohibitions against conflict of interest.

Sec. 05.40.950 establishes prohibited acts and penalties. It is a class A misdemeanor to

- 1) violate a regulation of the commission if no effect on the outcome of a race licensed by the commission was intended;
- 2) record, report, register, or place a wager on a horse race except as provided under the authority of the commission;
- 3) permit a person under 21 years of age to place a wager.

A class A misdemeanor is punishable by imprisonment of not more than one year or a fine of not more than \$5,000 or both.

It is a class C felony to violate a provision of AS 05.40 or a regulation of the commission with the intent to affect the outcome of a race. A class C felony is punishable by imprisonment of not more than five years or a fine of not more than \$50,000, or both.

Sec. 05.40.990 establishes definitions for "breakage", "commission", "harness race", "horse race", "parimutuel", "race meet", "race meet operator", and "special permit".

Sec. 2. Section 2 of the bill amends AS 18.65.080 by providing that the Department of Safety shall investigate whether a person appointed to the commission, a person employed by the commission, a race official, a race meet operator, or a person required to obtain a special permit has been charged with a felony or a gambling offense.

Sec. 3. Section 3 of the bill amends AS 39.25.120(c) to include commission employees in the partially exempt service.

Sec. 4. Section 4 of the bill amends AS 39.50.200(b) to include the Alaska Racing Commission within the definition of "state commission or board" so that members of the commission are subject to prohibitions against conflict of interest.

Representative Ron Larson
Page 5
February 28, 1989

Sec. 5. Section 5 of the bill amends AS 44.62.330(a) so that the Alaska Racing Commission is subject to the procedures applicable to administrative adjudication under AS 44.62.330 - 44.62.630.

Sec. 6. Section 6 of the bill imposes a duty on the governor to appoint the initial members of the commission within 120 days after the effective date of this Act.

Sec. 7. Section 7 of the bill gives the bill an effective date of July 1, 1990.

TL:kb
WKK2/072

QUESTIONS ABOUT PARIMUTUEL WAGERING AND HB 29

1. What is parimutuel wagering?

Parimutuel wagering is a system of betting dating back to the mid 1800's. Differing from typical gambling by virtue of the fact that the odds are not arbitrary, parimutuel wagering occurs when all collective bettors pool their money together. The total amount wagered versus the individual bets determines the amount which is divided among the winners

2. Has there been any local support shown for parimutuel wagering?

Both the cities of Palmer and Wasilla placed an advisory proposition on the ballot of the October 7, 1986 election concerning parimutuel wagering on certain horse events. (see attachments)

The result in Palmer was 58.2% in favor of the concept of the concept of local option parimutuel horse racing. In addition, the Palmer Municipal Code (Chapter 3.32) addresses parimutuel wagering by virtue of city ordinance #321. The city of Wasilla showed 62% of the voters approved the concept, with the City Council adopting resolution W85-J-6 supporting local option for parimutuel wagering.

In addition to local municipalities, the Matanuska-Susitna Borough has passed a resolution of support for state controlled, local option parimutuel wagering.

3. What type of benefits will parimutuel racing provide?

The most obvious benefit, initially, would be the generation of the racing business itself by the private sector. Infrastructure, such as breeding, training, and racing facilities, will create employment for the construction industry. Additionally, racing events will create a destination and accompanying services for the tourism trade. These are not to mention possible increases in the racing profession itself, with added jockeys, trainers, breeders, and handlers.

Clearly, an obvious benefit would be the added state revenue after the racing commences. The income will come painlessly to the state, without burdening the taxpayer. The amount of revenue depends on the frequency of the events authorized by the commission.

4. Is parimutuel wagering legal elsewhere?

Currently 37 states allow parimutuel wagering for either horses, dogs, or both.

Provided by Rep Larson

5. What is the development scenario for parimutuel racing?

After the necessary local endorsement by the voters, preparation time could be six months to several years, depending on the level of development. A racing season in Alaska would be for approximately ten (10) weeks. As participation increases, so would the growth.

Parimutuel professionals tell us that an average scenario would typically include eight races a day, with eight entries per field.

The most important thing about this type of racing is the controlled conditions which will guarantee the integrity of the race. Sophisticated racing equipment would be rented - this being the normal procedure in other places where racing is on a similiary small scale. HB 29 also requires extensive review procedures for both Commission members and sanctioned events.

6. How have other states benefited from parimutuel wagering?

Other states have benefited by revenue to the general fund, tourism potential, animal care, facility construction, and real estate purchase. For example, the state of Washington collected over \$2.3 million in 1986 from license and registration fees.

Some states allow constitutional dedicated funds, benefiting specific groups such as school systems, rehabilitation, and capital improvement projects.

7. What are the fiscal implications for HB 29?

Our fiscal expectation is relatively small, based on the assumption that racing is only a 10 week season. The commission will provide the initial professional expertise, with possibly one or two staff persons to assist part-time in the preparation of regulations, public hearings, and paperwork. Depending on the development of races and facilities, the employment requirements would follow the same growth curve.

8. What is the role of the Racing Commission?

The Commission will regulate racing and parimutuel wagering. Their wide range of regulatory responsibilities are clearly outlined in HB 29. Included are their specific enforcement powers regarding prohibited acts and penalties.

The Commission shall adopt regulations; appoint officials; supervise and distribute the pool; ascertain standards for veterinaries, equipment, audits, and other related matters; license races; inspect racetracks and account for all records, collections and disbursements; hire staff; compel witnesses; and appoint hearing officers.

9. How is parimutuel wagering different from games of chance and contests of skill?

Oversight and regulation is much greater for parimutuel. The complexities of the wagering system and accompanying safeguards were built into it purposefully.

HB 29 legislates parimutuel guidelines to strongly prevent abuse. The regulatory nature of the Commission, coupled with required sophisticated equipment, enhances the parimutuel system, and ensures security for the establishment and participators.

10. What is a "typical participant" in parimutuel wagering?

Studies have shown that participants are generally white collar workers, with one or more years of higher education and an income of \$35,000 or more. Managers, administrators, business leaders, educators, or politicians are common participants in parimutuel events.

11. How would this system affect those who do not participate?

By choice, it would not. First, it would require a local decision to allow parimutuel wagering within a municipality. Sec. 05.40.120 of HB 29 requires a majority approval of a referendum authorizing parimutuel racing within a municipality. A public hearing is also required before the issuance or renewal of a license.

Secondly, it is an individual choice to partake in wagering. Persons under the age of 21 are prohibited to participate in parimutuel wagering.

12. Who would be the monetary beneficiaries?

The licensee makes money by taking 15% of the pool. This figure is set high at the beginning so as to allow for a quicker return on the private investment.

The state, which establishes the Commission, takes a percentage equal to 10% of the pool. In addition, the state is the recipient of all licensing revenue, and can collect up to \$1.00 of the admission ticket.

The entrants would receive 10% of the pool in the form of purse money.

The participants who have the winning tickets share the remaining 65% of the pool.

POSITION PAPER

CSHB 29 (L&C) am: "An Act establishing the Alaska Racing Commission and authorizing parimutuel wagering at sanctioned events; e.d."

CSHB 29 (L&C) am establishes the Alaska Racing Commission within the Department of Commerce and Economic Development. The commission consists of five members appointed by the governor, including two public members.

The commission is charged with adopting regulations concerning licenses and permits for parimutuel wagering, appointment of race officials, distribution of the parimutuel pool, veterinary standards, auditing procedures, and other matters relating to parimutuel wagering. The commission is to regulate and supervise all horse races, inspect and approve race tracks and race horses, establish racing dates and durations, and supervise the making and distribution of parimutuel pools. Race meets may be conducted only within a municipality.

The commission is to make an annual report to the Legislature by February 15 of each year.

The bill sets out qualifications for those applying for a race meet operator's license. A race meet operator's license is valid for three years. The bill stipulates that no person may participate in a race meet as an owner of an animal, trainer, jockey, driver, attendant, groom, stable person, veterinarian, employee of a race meet operator, concessionaire, or concession employee without a special permit. A special permit is valid for one year.

The commission may not sanction a race meet within a municipality unless a majority of the voters in the municipality has approved a referendum authorizing parimutuel wagering on horse races and providing for municipal licensing of race meets within a municipality. A municipality must, after a public hearing, approve issuance or renewal of the municipal license for the race meet.

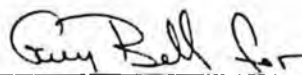
CSHB 29 (L&C) am provides that the parimutuel pool shall be distributed in the following manner: 65% to the holders of winning tickets; 15% to the race meet operator conducting the race meet; 10% as purse money; and 10% to the commission (Sec. 05.40.130 (a)).

The department recommends that a new subsection be added to this section to provide the department with program receipt authority to avoid any problem of dedication of funds, and to allow the department to use program receipts to fund the cost of regulation of parimutuel wagering. The standard program receipt language would read:

Sec. 05.40.130(d). Money received by the commission under this chapter shall be deposited in the general fund. The commissioner of administration shall separately account for the money deposited in the general fund under this section. The annual estimated balance in the account may be used by the legislature to make appropriations to the department to carry out enforcement of this chapter.

CSHB 29 (L&C) am takes effect July 1, 1990.

The department believes that, if the Legislature chooses to authorize parimutuel wagering or any other type of gambling activity, the administration and regulation of the activity would best be handled through a commission such as that outlined in this bill.



Larry Mercurieff, Commissioner

Date: 4-26-89

0520V

HB

52

Original sponsors: Zawacki, Hanley,
and Gruenberg

1 IN THE HOUSE BY THE FINANCE COMMITTEE
2 CS FOR HOUSE BILL NO. 52 (Finance)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 SIXTEENTH LEGISLATURE - FIRST SESSION
5 A BILL

6 For an Act entitled: "An Act relating to access by an interested person to
7 criminal records of all felony convictions, convic-
8 tions involving contributing to the delinquency of a
9 minor, and convictions involving sex crimes of cer-
10 tain persons; and providing for an effective date."

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

12 * Section 1. AS 12.62.035(a) is amended to read:

13 (a) An [NOTWITHSTANDING ANY OTHER PROVISION OF LAW, AN] inter-
14 ested person [AS DEFINED IN (e) OF THIS SECTION] may request from the
15 Department of Public Safety [COMMISSION] records of all felony con-
16 victions, convictions involving contributing to the delinquency of a
17 minor, and convictions involving any sex crimes of a person who holds
18 or applies for a position of employment in which the person has or
19 would have supervisory or disciplinary power over a minor or dependent
20 adult. The Department of Public Safety [COMMISSION] shall disclose
21 [AUTHORIZE THE DISCLOSURE OF] the information to the requesting inter-
22 ested person and shall provide a copy of the information to the person
23 who is the subject of the request.

24 * Sec. 2. AS 12.62.035 is amended by adding a new subsection to read:

25 (f) The Department of Education shall request and receive re-
26 cords under (a) of this section for a person seeking initial certifi-
27 cation as a teacher or administrator.

28 * Sec. 3. This Act takes effect immediately under AS 01.10.070(c).

A M E N D M E N T

OFFERED IN THE SENATE

BY SEN. FAIKS

TO: SCS CSHB 52 (Judiciary)

Page 2, line 3:

Delete "a handicapped adult"

Insert "an adult with physical or mental disabilities"

6-0247G
Ford
1/10/90

Original sponsor(s): REP. ZAWACKI, Hanley, Gruenberg

1 IN THE HOUSE

BY THE JUDICIARY COMMITTEE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 52 (Judiciary)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

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17 minor, and convictions involving any sex crimes of a person who holds
18 or applies for a position of employment in which the person has or
19 would have supervisory or disciplinary power over a minor or dependent
20 adult. The Department of Public Safety [COMMISSION] shall disclose
21 [AUTHORIZE THE DISCLOSURE OF] the information to the requesting inter-
22 ested person and shall provide a copy of the information to the person
23 who is the subject of the request.

24 * Sec. 2. AS 12.62.035(e) is amended to read:

25 (e) As used in this section

26 (1) "contributing to the delinquency of a minor" means a
27 conviction for a violation or attempted violations of AS 11.51.-
28 130(a)(1), (3), or (5); former AS 11.40.130; or the laws of another
29 jurisdiction if the offense would have been a crime in this state

1 under AS 11.51.130(a)(1), (3), or (5) or former AS 11.40.130 if com-
2 mitted in the state;

3 (2) "dependent adult" means a handicapped adult who re-
4 quires assistance or supervision with the activities of daily living;

5 (3) "interested person" means a corporation, company,
6 partnership, firm, association, organization, business trust, or
7 society, as well as a natural person, that employs or solicits the
8 employment of a person to serve with or without compensation in a
9 position in which the person has or would have supervisory or disci-
10 plinary power over a minor;

11 (4) [(3)] "sex crime" means a conviction for a violation or
12 attempted violation of AS 11.41.410 - 11.41.470, AS 11.61.110(a)(7),
13 or AS 11.66.100 - 11.66.130; former AS 11.15.120, 11.15.134, or
14 11.15.160; former AS 11.40.080, 11.40.110, 11.40.130, or 11.40.200 -
15 11.40.420; or the laws of another jurisdiction if the offense would
16 have been a crime in this state under one of the sections listed in
17 this paragraph if committed in the state.

18 * Sec. 3. AS 12.62.035 is amended by adding a new subsection to read:

19 (f) The Department of Education shall request and receive re-
20 cords under (a) of this section for a person seeking initial certifi-
21 cation as a teacher or administrator.

22 * Sec. 4. The Department of Education shall request and receive records
23 under AS 12.62.035(a) as amended in sec. 1 of this Act, for a person who
24 renews the person's certification as a teacher or administrator, if the
25 department did not request and receive records for the person when the
26 person was initially certified. This section applies only to the first
27 renewal of certification of a teacher or administrator after the effective
28 date of this Act.

29 * Sec. 5. This Act takes effect immediately under AS 01.10.070(c).

LETTERS OF SUPPORT

for

HB52

September 26, 1989

1. NEA-Alaska
2. Yukon/Koyukuk School District, Nenana, Ak.
3. Chatham School District, Angoon, Ak.
4. Mr. Pius F. Imgalrea, Chevak, Ak.
5. Anchorage School District, Anchorage, Ak.
6. Fairbanks North Star Borough Schools, Fairbanks, Ak.
7. Matanuska-Susitna Borough School District
8. Alaska Gateway School District, Tok, Ak.
9. Alaska PTA
10. Copper River School District, Glennallen, Ak.
11. Mr. Alex Tatum, Chevak, Ak.
12. Ms. Lillian Pingayak, Chevak, Ak.
13. Kodiak Baptist Mission, Kodiak, Ak.
14. Kenai Peninsula School District
15. Governor's Interim Commission on Children and Youth
16. Yupit School District, Akiachak, Ak.
17. Justice for Children, Juneau, Ak.
18. Louise Howerter, Juneau, Ak.
19. Pat Marlin, Juneau, Ak.
20. Sue Miller, Juneau, Ak.
21. Lower Yukon School District, Mountain Village, Ak.
22. Chugach School Board, Chenega Bay, Ak.

23. Hydaburg City School, Hydaburg, Ak.
24. Seward Chamber of Commerce, Seward, Ak.
25. Skagway City Schools, Skagway, Ak.
26. North Slope Borough School District
27. Cordova Chamber of Commerce, Cordova, Ak.
28. Talkeetna Chamber of Commerce, Talkeetna, Ak.
29. Big Lake Chamber of Commerce, Big Lake, Ak.
30. Kake City School District
31. National Federation of Parents For Drug Free Youth
32. Juneau School District, Juneau, Ak.
33. Alaska Council of School Administrators, Juneau, Ak.
34. Association of Alaska School Boards, Juneau, Ak.
35. Department of Education, State of Alaska
36. Department of Public Safety, State of Alaska
37. Craig School District, Craig, Ak.
38. Alaska State Board of Education, Anchorage, Ak.

BILL NO: CSHB 52 (Finance)

DATE: October 3, 1989

TITLE: An Act relating to access by an interested person to criminal records, ... and providing for an effective date.

CONTACT: Gayle A. Horetski Deputy Commissioner 465-4322

DEPARTMENT OF PUBLIC SAFETY

The Department of Public Safety supports this bill because it would correct deficiencies in present AS 12.62.035, which significantly limits conviction information which can be released. Under present law an "interested person" can receive information about limited types of criminal convictions (e.g. contributing to the delinquency of a minor or sex crimes), of individuals employed or seeking employment in a position that would give the person supervisory or disciplinary power over minors. At the present time, many serious criminal convictions such as murder, kidnapping, arson, or drug offenses cannot be reported.

The Department urges the Legislature to consider amending CSHB 52 (Fin) to allow the release of all criminal conviction records to "interested persons." Presently, the Department must review conviction information to determine if it falls within the parameters of existing language, while the types of convictions which can be released have been expanded in CSHB 52 (Fin), screening of criminal history records is still required to determine if a given conviction may be reported.

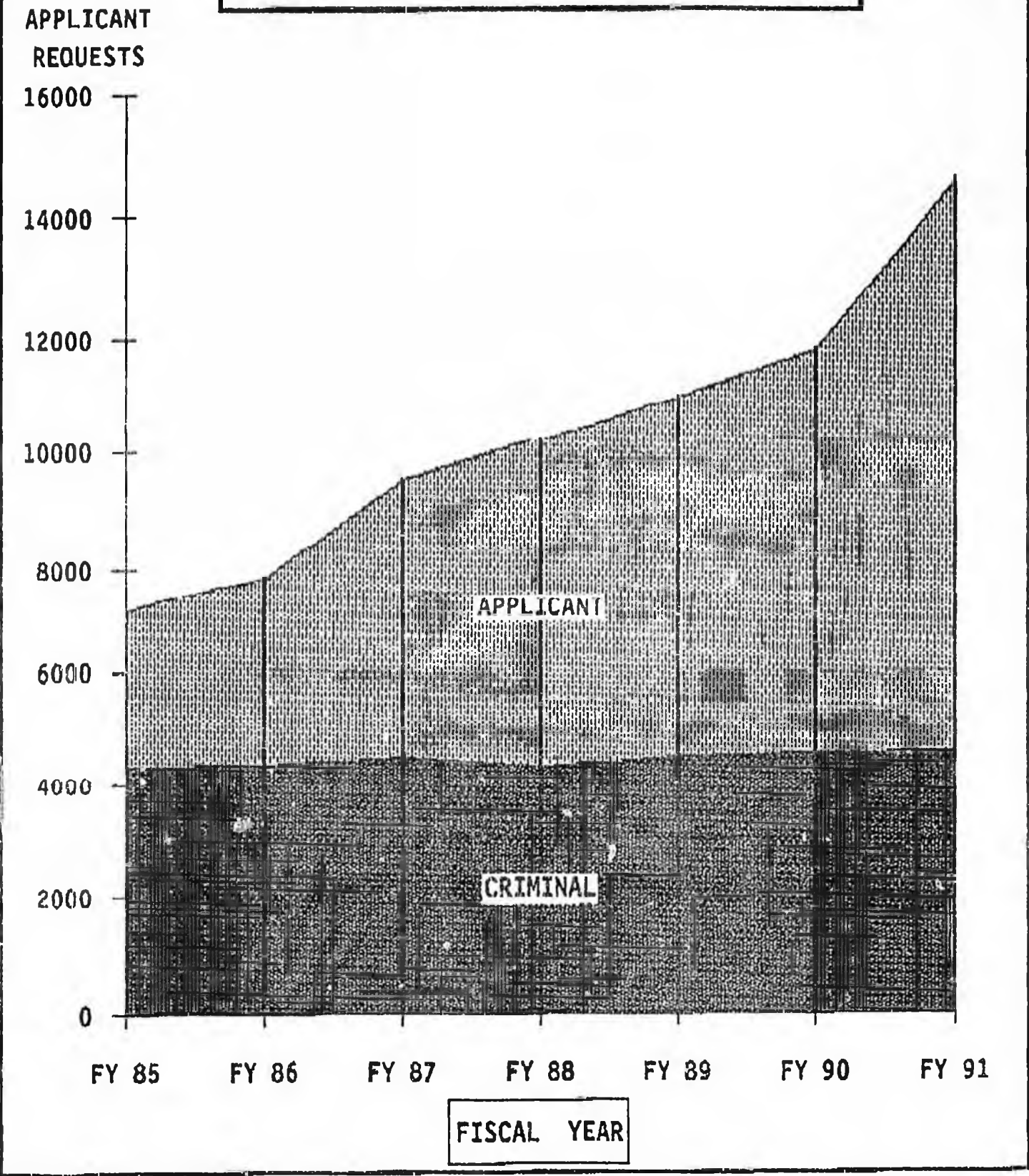
The Department's position is that an "interested person" should be able to receive the complete criminal history of a person who will be working with minor children. The interested person is then able to carefully review the record to determine whether that criminal history record information should have a bearing on the person's employment, certification, licensing, or other benefit.

CSHB 52 (Fin) also expands AS 12.62.035 to include persons who work with "dependent adults." While we agree with this on general policy grounds, there are already serious backlogs in criminal history record checks requested under provisions of AS 12.62.035; without approval of the fiscal note that was submitted May 5, 1989, DPS will not be able to provide this expanded service. A supplemental appropriation has been requested in FY 90 to maintain AAFIS and APSIN services, and an increment will be requested in FY 91. Regulations are also being proposed which will establish a fee for criminal history record checks. This fee will be needed to generate program receipts to supplement the state general fund budget in this area. These fees will probably be paid by the applicant involved.

In summary, CSHB 52 (Fin) is an improvement to existing law, and is supported by the Department of Public Safety. We urge the Legislature to strengthen the law even further, however.

Gayle A. Horetski
for Arthur English, Commissioner

FINGERPRINT SEARCHES BY FISCAL YEAR



FISCAL NOTE

REQUEST:

Revision Date: 01/12/90
Title: Access to Criminal Records

Agency Affected: Public Safety
BRU: DPS Statewide Support

Sponsor: Representative Zawacki
Requestor: Senate Judiciary

Component: AK Criminal Records & ID

EXPENDITURES/REVENUES: (Thousands of Dollars) (Inflation not included)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES	46.1	46.1	46.1	46.1	46.1	46.1
TRAVEL						
CONTRACTUAL	2.3	2.3	2.3	2.3	2.3	2.3
SUPPLIES						
EQUIPMENT	7.0					
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	55.4	48.4	48.4	48.4	48.4	48.4

CAPITAL	0	0	0	0	0	0
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REVENUE	0	0	0	0	0	0
---------	---	---	---	---	---	---

FUNDING: (Thousands of Dollars)

GENERAL FUND	55.4	48.4	48.4	48.4	48.4	48.4
FEDERAL FUNDS						
OTHER/PROG RCPT						
TOTAL	55.4	48.4	48.4	48.4	48.4	48.4

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary)

The Records and Identification Section operates the Alaska Automated Fingerprint Identification System (AAFIS) and maintains criminal history record information used by police and other criminal justice agencies. Because of the complexity of the research

(Analysis continued on attached)

Prepared by: Ken Bischoff
Division: Administrative Services

Phone: 465-4336
Date: 01/12/90

Approved by Commissioner: Arthur English
Agency: Department of Public Safety

Date: 1-12-90
Page 1 of 5

Ken Bischoff
1/12/90

FISCAL NOTE - SCS CSHB 52 (Jud)
Department of Public Safety
(Analysis, continued - Page 2 of 5)

required to process criminal history record checks under AS 12.62.035, one full-time and one part-time Clerk IV will be required to handle the 2,000 requests expected from the Department of Education for initial certifications and 2,000 recertifications, and 2,500 for health care employees each year. Existing AAFIS staff are not able to keep current with their present workload. Without additional staff to accommodate the predicted increase in workload, a criminal history records check for applicants will be delayed by several more months.

There are over 5,000 health care employees in Alaska who care for dependent adults under the definition of 7 AAC 55.330(8), (12). Covered employees include those who work for certain alcoholism programs, State institutions such as API and Harborview, providers of adult residential care, providers of adult foster care, nursing home aides, hospital staff, personal care attendants, home health aides, and pioneer home staff. Since a criminal history records check under this statute would be permissive rather than mandatory, it is estimated that about half of the covered employees would be processed each fiscal year.

The provision of a criminal history record to a law enforcement or criminal justice agency is a relatively quick and simple process. Requests for records under AS 12.62.035 are much more time consuming and complicated to process.

The processing of a request for information under AS 12.62.035 begins with the interested party (or agency) sending a letter to Records and Identification explaining how they meet the definition of an "interested person" under the statute and requesting that records checks be performed on certain individuals. Two completed fingerprint cards, showing the interested party as the contributor, are submitted for processing.

The submitted fingerprint cards are searched in AAFIS for the existence of a fingerprint record. If a fingerprint record is identified, the Alaska Public Safety Information Network (APSIN) record for that person is then checked for the existence of a criminal history. The second fingerprint card, accompanied by a money order for \$14, (\$20 as of 3/1/90) is submitted by mail to the FBI Identification Division to check for an out-of-state criminal history.

Upon enactment of SCS CSHB 52 (Jud), if an Alaskan criminal history arrest record was verified by fingerprints, it would be reviewed to determine if a felony or applicable misdemeanor conviction resulted. If so, the interested party and the applicant would be notified of the charge and disposition by mail. Unfortunately, about 25% of arrest records in Alaska do not have disposition information. In these cases, the court records must be researched to determine the outcome of the case.

If the FBI fingerprint check results in the return of a "rap sheet", it must be carefully examined. Each arrest or offense reported must be checked for disposition information. A large proportion of the arrests shown on FBI rap sheets do not indicate a disposition. In this case the records division of the contributing state must be contacted by mail for disposition information.

FISCAL NOTE - SCS CSHB 52 (Jud)
Department of Public Safety
(Analysis, continued - Page 3 of 5)

Because of NLETS and NCIC regulations prohibiting the use of those systems for employment and licensing purposes, all of the contacts with out-of-state agencies must be conducted by mail. If a conviction is identified, both the interested party and the applicant would be notified of the findings by mail.

During the time that present AS 12.62.035 has been in effect, less than 1% of the criminal history record checks processed have resulted in convictions being reported to the interested party. However, about 11% of the records examined pursuant to requests under AS 12.62.035 contained serious criminal violations not reportable under present language. These have included convictions for attempted murder, felony assault, and drug sales.

Position Title Clerk IV		No. of Positions	Range/Step 9A	Barg. Unit G
Time Status PFT	Staff Months 6	Location Anchorage		Election District 7
Type of Expenditure		Justification		
1	2	3		
Salary*	9.8	Processing criminal history record checks under AS 12.62.035 involves actions by a Clerk II, AAFIS Operator I, Clerk IV, and AAFIS Operator II.		
Benefits*	3.8	The additional workload connected with SCS CSHB 52 (Jud) will require the equivalent of a full-time position and one part-time position.		
Premium Pay (Included in Above)	//////	In spite of the immediate effective date of the bill, unless it becomes law early in the session, its program impact will not likely occur in FY90.		
Other	//////	If this bill becomes law and this position is not approved, backlogs will increase; "interested persons" will not receive timely responses to their requests for criminal history records checks.		
Total Personal Services	//////	13.6		
Travel				
Contractual	Misc. \$.5	.5		
Commodities				
Equipment				
Other				
Total Cost		14.1		
Funding Source for Total Cost				
Federal Receipts	1002			
G.F. Match	1003			
General Fund	1004	14.1		
Program Receipts/GF	1005			
I-A Receipts	1007			
CIP Receipts	1061			
Other				
* Personal Services Salary and Benefits Costs are from PACS.				

REQUEST FOR
NEW POSITION

AGENCY Department of Public Safety
 BRU DPS Statewide Support
 COMPONENT AK Criminal Records & ID

Page 4 of 5
 Revised Date

FY 91

Position Title Clerk IV		No. of Positions	Range/Step 9A	Barg. Unit G	
Time Status PFT	Staff Months 12	Location Anchorage		Election District 7	
Type of Expenditure		Justification			
Amount		<p>Processing criminal history record checks under AS 12.62.035 involves actions by a Clerk II, AAFIS Operator I, Clerk IV, and AAFIS Operator II.</p> <p>The additional workload connected with SCS CSHB 52 (Jud) will require the equivalent of a full-time position and one part-time position.</p> <p>In spite of the immediate effective date of the bill, unless it becomes law early in the session, its program impact will not likely occur in FY90.</p> <p>If this bill becomes law and this position is not approved, backlogs will increase; "interested persons" will not receive timely responses to their requests for criminal history records checks.</p>			
1	2				3
Salary*	20.8				////////////////////
Benefits*	11.7				////////////////////
Premium Pay (Included in Above)	////////////////////				////////////////////
Other	////////////////////				////////////////////
Total Personal Services	////////////////////				32.5
Travel					
Contractual	Line Hookup \$1.5 Misc. \$.3				1.8
Commodities					
Equipment	Micro \$6.2 Chair \$.8	7.0			
Other					
Total Cost		41.3			
Funding Source for Total Cost					
Federal Receipts	1002				
G.F. Match	1003				
General Fund	1004	41.3			
Program Receipts/GF	1005				
I-A Receipts	1007				
CIP Receipts	1061				
Other					
* Personal Services Salary and Benefits Costs are from PACS.					

REQUEST FOR
NEW POSITION

AGENCY Department of Public Safety
 BRU DPS Statewide Support
 COMPONENT AK Criminal Records & ID

Page 5 of 5
Revised Date

FY 91

FISCAL NOTE

REQUEST:

Revision Date: January 17, 1990
Title: "An Act relating to access
...of all felony convictions..."
Sponsor: Senate Judiciary
Requestor: Senate Judiciary

Agency Affected: Department of Law
BRU: Legal Services
Components: Operations

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
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	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary)

Please see the attached analysis.

Prepared by: Richard I. Pegues, Director Phone: 465-3672
Division: Administrative Services Date: January 17, 1990
Approved by Commissioner: Richard I. Pegues / FOR / Date: January 17, 1990
Agency: Department of Law

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. SCSCSHB 52 (JUD)

The Senate Judiciary Committee Substitute adds two new sections to previous versions of the bill that (1) define the term "dependent adult", and (2) that provide that the Department of Education shall request and receive certain criminal records from the Department of Public Safety for a person who renews the person's certification as a teacher or administrator if such records were not requested and received when the person was originally certified. This section applies only to the first renewal of certification. Currently, there are more than 20,000 certified teachers and administrators in Alaska. Recertification is required every six years.

Other, existing provisions of the bill would require that the Department of Education request and receive records of all felony convictions, convictions involving contributing to the delinquency of a minor, and convictions involving any sex crimes of a person seeking initial certification as a teacher or administrator. Approximately 4,000 persons will probably apply for initial certification during the coming year.

The Department of Law is not usually involved in the certification process and, consequently, the bill will not have a fiscal impact on the department. The bill could, however, have a fiscal impact on the Department of Education because of the bill's records-keeping requirements.

FISCAL NOTE

REQUEST:

Revision Date: 1/15/90
Title: Access by an interested person to criminal records.
Sponsor: Senate Judiciary
Requestor: Senate Judiciary

Agency Affected: Education
BRU: Education Finance & Support Services
Components: District Support

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES	28.7	29.5	30.2	31.0	31.8	32.2
TRAVEL						
CONTRACTUAL	7.2	6.2	6.2	6.2	6.2	6.2
SUPPLIES	1.5	1.5	1.5	1.5	1.5	1.5
EQUIPMENT	10.0	-0-	-0-	-0-	-0-	0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	47.4	37.2	37.9	38.7	39.5	39.9
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND /PR	47.4	37.2	37.9	38.7	39.5	39.9
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary)

See Attached

Prepared by: Mary Hakala Phone: 465-2800
Division: Commissioner's Office Date: 1/15/90
Approved by Commissioner: William G. Demmert Date: 1/15/90
Agency: Education

Distribution (by preparer):

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

DEPARTMENT OF EDUCATION

FISCAL NOTE ANALYSIS

Revised 1/15/90

SCS for CSHB 52 (Judiciary) Access by an interested person to criminal records..

Personal Services

1 FT Clerk Typist III, Range 8 A/B	FY91: 28.7
(Cost increase assumes merit increases)	FY92: 29.5
	FY93: 30.2
	FY94: 31.0
	FY95: 31.8
	FY96: 32.2

This position will be responsible for the tracking and filing of all background checks for initial and one-time renewal applicants for teacher certification in Alaska.

Contractual

Computer programming and system maintenance to integrate background criminal check into teacher certification data base: 5.0

Telephone, postage: 1.2

Development of form for distribution to applicants, "Certification pending background check": .5

Commodities

Supplies associated with position and function: 1.0

Annual cost of "Certification pending background check" forms for applicants: .5

Equipment (first year cost only)

Computer terminal and printer to meet paperwork/notification requirements and data entry into teacher certification data base: 6.0

File cabinet for records storage, desk, chair, phone & partition walls for position: 9.9

Position Title Clerk Typist III		No. of Positions 1	Range/Step BA/B	Barg. Unit GGU
Time Status Full Time	Staff Months 12.0	Location Juneau		Election District
Type of Expenditure		Justification		
1	2	3		
Salary	19.8	The full time clerical position will handle administrative functions associated with implementation of HB 52, insuring that background checks are properly completed by each initial and one-time renewal applicant for teacher certification in Alaska.		
Benefits	8.9			
Premium Pay				
Other				
Total Personal Services	28.7			
Travel		All non-personnel costs associated with this position are included in the HB 52 fiscal note.		
Contractual				
Commodities				
Equipment				
Other				
Total Cost				
Funding Source for Total Cost				
Federal Receipts	1002			
G. F. Match	1003			
General Fund	1004			
I-A Receipts	1006			
CIP Receipts	1061			
Other	GF/PR	28.7		

**Request For
New Position**

Agency EDUCATION
 BRU EDUCATION FINANCE & SUPPORT
 Component DISTRICT SUPPORT

FY 90

Page 3 of 3
 Revised Date 1/15/90

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: Access to criminal records by
the Department of Education
Sponsor: Zawacki
Requestor: House HESS

Agency Affected: Education
BRU: Education Finance & Support
Services
Components: District Support

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES		14.6	14.6	14.6	14.6	14.6
TRAVEL						
CONTRACTUAL		4.0	4.0	3.0	3.0	3.0
SUPPLIES		5	5	5	5	5
EQUIPMENT		4.5				
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		23.6	19.1	18.1	18.1	18.1

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

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

FUNDING: (Thousands of Dollars)

GENERAL FUND /PR		23.6	19.1	18.1	18.1	18.1
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary)

Costs include 1 part time clerktypist, postage and phone costs, general office supplies, and minimal computer programming costs to upgrade system to integrate background check data into existing teacher certification data base. In the first year, purchase of one word processing terminal and file cabinet storage capacity is necessary.

Prepared by: Mary Hakala Phone: 465-2800
Division: Commissioner's Office Date: March 31, 1989

Approved by Commissioner: William G. Demmert Date: March 31, 1989-
Agency: Education

Distribution (by preparer):

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

Position Title Clerk Typist III		No. of Positions 1	Range/Step 8B	Barg. Unit GGU
Time Status PT	Staff Months 6.0	Location Juneau		Election District
Justification				
The part time clerical position will handle administrative functions associated with implementation of HB 52, insuring that background checks are properly completed by each initial applicant for teacher certification in Alaska.				
Type of Expenditure		Amount		
1	2	3		
Salary	9.8			
Benefits	4.8			
Premium Pay				
Other				
Total Personnel Services		14.6		
Travel				
Contractual				
Commodities				
Equipment				
Other				
Total Cost				
Funding Source for Total Cost				
Federal Receipts	1002			
G. F. Match	1003			
General Fund	1004			
I-A Receipts	1006			
CIP Receipts	1061			
Other	GF/PR	14.6		

**Request For
New Position**

Agency Education
 BRU Education Finance & Support Services
 Component District Support

Page 2 of 2
 Revised Date

FY 90

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Department of Law
 Title: "An Act relating to access to criminal records by the Department of Education..." BRU: Prosecution
 Sponsor: Repr. Zawacki Components: Criminal Justice Litigation
 Requestor: Repr. Zawacki

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
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	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary)

Please see the attached analysis.

Richard I. Pegues

Prepared by: Richard I. Pegues / Director Phone: 465-3672
 Division: Administrative Services Division Date: February 1, 1989
Richard I. Pegues / FOR
 Approved by Commissioner: Grace Berg Schaible, Atty. Gen. Date: February 1, 1989
 Agency: Department of Law

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. HB 52

This bill amends AS 12.65.035 to provide that the Department of Education shall request and receive criminal records for a person seeking certification as a teacher or administrator. The bill further provides that the Department of Education shall request such records on behalf of school districts, which employ persons serving in positions having a supervisory or disciplinary power over a minor. The safekeeping and administration of criminal records are handled by the Department of Public Safety. Consequently, this bill will not have a fiscal impact on the Department of Law. The bill could, however, have a fiscal impact on the Department of Education for administering requests from school districts for criminal history records. Existing statute permits school districts to request this information directly from the Department of Public Safety, without the second level of administration proposed in the bill.

FISCAL NOTE

REQUEST:

Revision Date: 5/5/89
Title: Access to Criminal Records

Agency Affected: Public Safety
BRU: DPS Administration

Sponsor: Representative Zawacki
Requestor: House Rules

Component: Administrative Services

EXPENDITURES/REVENUES: (Thousands of Dollars) (Inflation not included)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES	2.2	32.5	32.5	32.5	32.5	32.5
TRAVEL						
CONTRACTUAL		1.8	.3	.3	.3	.3
SUPPLIES						
EQUIPMENT		7.0				
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	2.2	41.3	32.8	32.8	32.8	32.8

CAPITAL	0	0	0	0	0	0
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REVENUE	0	0	0	0	0	0
---------	---	---	---	---	---	---

FUNDING: (Thousands of Dollars)

GENERAL FUND	2.2	41.3	32.8	32.8	32.8	32.8
FEDERAL FUNDS						
OTHER						
TOTAL	2.2	41.3	32.8	32.8	32.8	32.8

POSITIONS:

FULL-TIME	0	1	1	1	1	1
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

The Records and Identification Section operates the Alaska Automated Fingerprint Identification System (AAFIS) and maintains criminal history record information used by police and other criminal justice agencies. Because of the complexity of the research required to process criminal history record checks under AS 12.62.035, a Clerk IV will be required to handle the 2,000 requests expected from the Department of Education for initial certifications and 2,500 for health care employees each year. Existing AAFIS staff are not able to keep current with their present workload. Without additional staff to accommodate the predicted increase in workload, a criminal history records check for applicants may be delayed by several months.

(Analysis continued on attached)

JML
5/5/89 Prepared by: M. J. Clemens
Division: Administrative Services

Phone: 465-4336
Date: 5/5/89

Approved by Commissioner: Ja. H. English Date: 5/5/89
Agency: Department of Public Safety

Department of Public Safety
FISCAL NOTE - CSHB 52 (Fin)
(Analysis, continued - Page 2 of 4)

The Department of Education has estimated that they will submit about 2,000 requests for criminal history record checks annually in connection with the initial certification of school teachers in Alaska. These records checks are in addition to those requested by other interested persons under AS 12.62.035, such as the employers of day care providers. The provision of a criminal history record to a law enforcement or criminal justice agency is a relatively quick and simple process. Requests for records under AS 12.62.035 are much more time consuming and complicated to process.

There are over 5,000 health care employees in Alaska who care for dependent adults under the definition of 7 AAC 55.330(8), (12). Covered employees include those who work for certain alcoholism programs, State institutions such as API and Harborview, providers of adult residential care, providers of adult foster care, nursing home aides, hospital staff, personal care attendants, home health aides and pioneer home staff. Since a criminal history records check under this statute would be permissive rather than mandatory, it is estimated that about half of the covered employees would be processed each fiscal year.

The processing of a request for information under AS 12.62.035 begins with the interested party (or agency) sending a letter to Records and Identification explaining how they meet the definition of an "interested person" under the statute and requesting that records checks be performed on certain individuals. Two completed fingerprint cards, showing the interested party as the contributor, are submitted for processing.

The submitted fingerprint cards are searched in AAFIS for the existence of a fingerprint record. If a fingerprint record is identified, the Alaska Public Safety Information Network (APSIN) record for that person is then checked for the existence of a criminal history. The second fingerprint card, accompanied by a money order for \$14, is submitted by mail to the FBI Identification Division to check for an out-of-state criminal history.

Upon enactment of CSHB 52 (Fin), if an Alaskan criminal history arrest record was verified by fingerprints, it would be reviewed to determine if a felony or applicable misdemeanor conviction resulted. If so, the interested party and the applicant would be notified of the charge and disposition by mail. Unfortunately, about 25% of arrest records in Alaska do not have disposition information. In these cases, the court records must be researched to determine the outcome of the case. This can be a very time consuming process.

If the FBI fingerprint check results in the return of a "rap sheet", it must be carefully examined. Each arrest or offense reported must be checked for disposition information. A large proportion of the arrests shown on FBI rap sheets do not indicate a disposition. In this case the records division of the contributing state must be contacted by mail for disposition information.

Because of NLETS and NCIC regulations prohibiting the use of those systems for employment and licensing purposes, all of the contacts with out-of-state agencies must be conducted by mail. If a conviction is identified both the interested party and the applicant would be notified of the findings by mail. The fingerprint cards are returned to the contributor.

Department of Public Safety
 FISCAL NOTE - CSHB 52 (Fin)
 (Analysis, continued - Page 3 of 4)

During the time that present AS 12.62.035 has been in effect, less than 1% of the criminal history record checks processed have resulted in convictions being reported to the interested party. However, about 11% of the records examined pursuant to requests under AS 12.62.035 contained serious criminal violations not reportable under present language. These have included convictions for attempted murder, felony assault, and drug sales.

Releasing conviction information as prescribed by CSHB 52 (Fin) will change the search time required in gathering and reporting arrest with convictions information to interested parties. The following are the computations for the times required for out-of-state checks:

- 1) 18% of the people checked have FBI rap sheets with arrest information.
- 2) 57% of these out-of-state records do not have disposition information.
- 3) Of the 4,500 estimated initial certification, 810 will have FBI rap sheets.
- 4) 15% are felonies and 60% of these do not have disposition information.
- 5) Therefore, $((810 \times .15) \times .60) = 73$ people with felony records that will require extensive researching.
- 6) 39% of the charges on the FBI rap sheet are misdemeanors.
- 7) 49% of these do not have disposition information, and 10% of the 49% involve contributing to the delinquency of a minor, and sex charges.
- 8) Therefore, $((810 \times .39) \times .10 \times .49) = 15$ people that will require extensive researching.
- 9) 46% we are not able to determine if the charge on the FBI rap sheet is a felony or misdemeanor. Of these, 63% do not have disposition information.
- 10) The following applies, $((810 \times .46) \times .63) = 235$ people requiring extensive researching.

Function	# Cards	Seconds	Hours
Search AAFIS	4,500	540	675
APSIN Search	4,500	96	120
AK Dispo Research	124*	4,080	140
Sort and Mail	9,000	14	35
Extensive research	323**	9,060	813
Research FBI rcds	139***	1,800	70
Transfer FBI raps	462	189	24
Sort other FBI	4,038	64	72
Total processing time			1,949

* $(4,500 \times .11) \times .25 = 124$

** $73 + 15 + 235 = 323$

*** $(4,500 \times .18) = 810 \times .57 = 462 - 323 = 139$

Position Title Clerk IV		No. of Positions 1	Range/Step 9A	Barg. Unit G
Time Status PFT	Staff Months 12	Location Anchorage		Election District 7
Type of Expenditure		Justification		
		Processing criminal history record checks under AS 12.62.035 involves actions by a Clerk II, AAFIS Operator I, Clerk IV, and AAFIS Operator II.		
Amount		The additional workload connected with HB 52 will require the equivalent of a full-time position.		
1	2	3	Initial furniture and equipment costs would not be needed in future years.	
Salary*	20.8	////	Due to the immediate effective date of the bill, assuming it becomes law about May 1, two months of personal services would be needed to pay unbudgeted overtime to existing staff who would have to handle requests prior to classification, recruitment, selection, and training of a new position.	
Benefits*	11.7	////	Without approval of this position, backlogs will develop; "interested persons" will not receive timely responses to their requests for criminal history records checks.	
Premium Pay (Included in Above)	////	////		
Other	////	////		
Total Personal Services	////	32.5		
Travel				
Contractual	line hook up - \$1.5	1.8		
Commodities				
Equipment	Micro \$6.2 chair \$.8	7.0		
Other				
Total Cost		41.3		
Funding Source for Total Cost				
Federal Receipts	1002			
G.F. Match	1003			
General Fund	1004	41.3		
Program Receipts/GF	1005			
I-A Receipts	1007			
CIP Receipts	1061			
Other				
* Personal Services Salary and Benefits Costs are from PACS Scenario #2.				

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CORRECTION

**THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY**

Position Title Clerk IV		No. of Positions 1	Range/Step 9A	Barg. Unit G
Time Status PFT	Staff Months 12	Location Anchorage		Election District 7
Type of Expenditure		Amount		
1	2	3		
Salary*	20.8	////////////////////		
Benefits*	11.7	////////////////////		
Premium Pay (Included in Above)	////////////////////	////////////////////		
Other	////////////////////	////////////////////		
Total Personal Services	////////////////////	32.5		
Travel				
Contractual	line hook up - \$1.5	1.8		
Commodities				
Equipment	Micro \$6.2 chair \$.8	7.0		
Other				
Total Cost		41.3		
Funding Source for Total Cost				
Federal Receipts	1002			
G.F. Match	1003			
General Fund	1004	41.3		
Program Receipts/GF	1005			
I-A Receipts	1007			
CIP Receipts	1061			
Other				
* Personal Services Salary and Benefits Costs are from PACS Scenario #2.				
Justification				
Processing criminal history record checks under AS 12.62.035 involves actions by a Clerk II, AAFIS Operator I, Clerk IV, and AAFIS Operator II.				
The additional workload connected with HB 52 will require the equivalent of a full-time position.				
Initial furniture and equipment costs would not be needed in future years.				
Due to the immediate effective date of the bill, assuming it becomes law about May 1, two months of personal services would be needed to pay unbudgeted overtime to existing staff who would have to handle requests prior to classification, recruitment, selection, and training of a new position.				
Without approval of this position, backlogs will develop; "interested persons" will not receive timely responses to their requests for criminal history records checks.				

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Effect of amendments. — The 1985 amendment substituted "under AS 12.30" for ", including the right to arrest the de- fendant as provided in AS 12.30.020" and "by law" for "therein."

Chapter 62. Criminal Justice Information Systems Security and Privacy.

Section

35. Access to certain crime information

70. Definitions

Sec. 12.62.035. Access to certain crime information. (a) Notwithstanding any other provision of law, an interested person as defined in (e) of this section may request from the commission records of all convictions involving contributing to the delinquency of a minor and any sex crimes of a person who holds or applies for a position in which the person has or would have supervisory or disciplinary power over a minor. The commission shall authorize the disclosure of the information to the requesting interested person and shall provide a copy of the information to the person who is the subject of the request.

(b) A request for records under (a) of this section shall include within it the fingerprints of the person who is the subject of the request and any other data specified in regulations adopted by the commission. The request shall be on a form approved by the commission, and the commission may charge a fee to be paid by the requesting interested person for the actual cost of processing the request. The commission shall destroy an application within six months after the requested information is sent to the requesting interested person and the person who is the subject of the request.

(c) The commission shall adopt regulations to implement the provisions of this section.

(d) If an individual is denied employment as a result of the disclosure of inaccurate or incomplete records under this section, an action may be brought against the state. No other action may be brought against the state, or an agency or employee of the state, as a result of disclosing or failing to disclose criminal justice information.

(e) As used in this section

(1) "contributing to the delinquency of a minor" means a conviction for a violation or attempted violations of AS 11.51.130(a)(1), (3), or (5); former AS 11.40.130; or the laws of another jurisdiction if the offense would have been a crime in this state under AS 11.51.130(a)(1), (3), or (5) or former AS 11.40.130 if committed in the state;

(2) "interested person" means a corporation, company, partnership, firm, association, organization, business trust, or society, as well as a natural person, that employs or solicits the employment of a person to serve with or without compensation in a position in which the person has or would have supervisory or disciplinary power over a minor;