

ALASKA LEGISLATURE COMMITTEE FILES, 1989-1990 8672  
6381 SENATE JUDICIARY

785

**HB**

**563**

Original sponsor(s): State Affairs Committee

1 IN THE HOUSE

BY THE STATE AFFAIRS COMMITTEE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 563 (State Affairs)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the amount of a permanent fund  
7 dividend, to information regarding the value of  
8 dividends; and providing for an effective date."

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

10 \* Section 1. AS 43.23.025(a) is amended to read:

11 (a) By October 1 of each year the commissioner [SHALL GIVE  
12 PUBLIC NOTICE OF THE VALUE OF EACH PERMANENT FUND DIVIDEND FOR THAT  
13 YEAR. THE PUBLIC NOTICE SHALL CONTAIN A STATEMENT DISCLOSING THE  
14 AMOUNT BY WHICH EACH INDIVIDUAL DIVIDEND HAS BEEN REDUCED IN ORDER TO  
15 PAY THE COSTS OF ADMINISTERING THE PROGRAM AND THE HOLD HARMLESS  
16 PROVISIONS OF AS 43.23.075. THE COMMISSIONER SHALL ALSO INCLUDE THE  
17 STATEMENT ON THE STUB ATTACHED TO EACH INDIVIDUAL DIVIDEND CHECK. THE  
18 COMMISSIONER] shall determine the value of each [A] permanent fund  
19 dividend for that year by

20 (1) determining the total amount available for dividend  
21 payments, which equals

22 (A) the amount of income of the Alaska permanent fund  
23 transferred to the dividend fund under AS 43.23.045(b) during the  
24 current year;

25 (B) plus the unexpended and unobligated balances of  
26 prior fiscal year appropriations that lapse into the dividend  
27 fund under AS 43.23.045(d);

28 (C) less the amount necessary to pay dividends from  
29 the dividend fund in the current year under AS 43.23.055(3);

1 (D) less the amount necessary to pay dividends from  
2 the dividend fund due to eligible applicants who, as determined  
3 by the department, filed for a previous year's dividend by the  
4 filing deadline but who were not included in a previous year's  
5 dividend computation;

6 (E) less appropriations from the dividend fund during  
7 the current year, including amounts to pay costs of administering  
8 the dividend program and the hold harmless provisions of AS 43.-  
9 23.075;

10 (2) determining the number of individuals eligible to  
11 receive a dividend payment for the current year; and

12 (3) dividing the amount determined under (1) of this sec-  
13 tion by the amount determined under (2) of this section.

14 \* Sec. 2. AS 43.23 is amended by adding a new section to read:

15 Sec. 43.23.028. PUBLIC NOTICE. By October 1 of each year the commis-  
16 sioner shall give public notice of the value of each permanent fund  
17 dividend for that year. The notice and the stub attached to each  
18 individual dividend check must disclose the amount

19 (1) of each dividend attributable to income earned by the  
20 permanent fund from deposits to that fund required under art. IX, sec.  
21 15, Constitution of the State of Alaska;

22 (2) of each dividend attributable to income earned by the  
23 permanent fund from appropriations to that fund and from amounts added  
24 to that fund to offset the effects of inflation; and

25 (3) by which each dividend has been reduced due to each  
26 appropriation from the dividend fund, including amounts to pay the  
27 costs of administering the dividend program and the hold harmless  
28 provisions of AS 43.23.075.

29 \* Sec. 3. The commissioner of revenue shall include with each permanent

1 fund dividend check for 1990 information explaining the legislative history  
2 and purpose of appropriations from the dividend fund for Department of  
3 Corrections and Department of Public Safety programs that reduced dividends  
4 for 1989. If money is made available, through appropriation or a decision  
5 of the court upholding the constitutionality of AS 43.23.005(d), to rein-  
6 burse the dividend fund for amounts by which the 1989 dividend was reduced,  
7 the commissioner shall include on the stub attached to each dividend check  
8 for 1990 a statement of the amount by which the check is increased due to  
9 the reimbursement.

10 \* Sec. 4. This Act takes effect immediately under AS 01.10.070(c).  
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6-2446A  
Cook  
4/26/90

BY THE STATE AFFAIRS COMMITTEE

1 IN THE SENATE

2 SENATE CONCURRENT RESOLUTION NO.  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 Suspending Uniform Rules 41(b), 24(c),  
6 and 35 of the Alaska State Legislature  
7 concerning HB 563.

8 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 That under Rule 54 of the Uniform Rules of the Alaska State Legisla-  
10 ture the provisions of Rule 41(b), Rule 24(c), and Rule 35 of the Uniform  
11 Rules, regarding changes to the title of a bill, are suspended in consid-  
12 eration of House Bill No. 563, relating to the amount of permanent fund  
13 dividends, to information regarding the value of dividends, and to the  
14 partial exemption of dividends for the collection of debt.

# Alaska State Legislature

Sen. Pat Pourchot, Chairman

Sen. Jan Falks, Vice Chairman

Sen. Al Adams

Sen. Tim Kelly

Sen. Rick Uehling



P.O. Box V  
State Capitol  
Juneau, Alaska 99811

907-485-3712

## Senate State Affairs Committee

### LETTER OF INTENT TO ACCOMPANY S CS HB 563 (SA)

It is the intent of the Senate State Affairs Committee that all deductions from the earnings of the Permanent Fund be disclosed to the public. SCS HB 563 requires that all appropriations from the Dividend Fund be listed on the dividend check stub. The amount of dividends as the result of constitutionally mandated deposits and the amount attributable to legislative appropriations shall also appear on the dividend check stub.

It is the intent that all additional deductions from earnings be disclosed in a form other than on the check stub realizing that there is insufficient space on the check stub to list all expenditures paid from annual earnings. Those disclosures shall include 1) the Permanent Fund Corporation's operating budget, 2) the annual reinvestment of earnings to off-set the effects of inflation, 3) the appropriations to the Department of Law for legal fees for oil tax litigation and 4) any other deductions from the Earnings Reserve Account or earnings of the Permanent Fund.

It is the intent of the legislature that the current Corporation practice of including an informational brochure with the dividend check be continued and that the brochure include information which explains the amount and purpose of all deductions from the Permanent Fund Corporation earnings.

Senator Pat Pourchot, Chairman

April 27, 1990



## Alaska State Legislature

House of Representatives  
COMMITTEE ON STATE AFFAIRS

### MEMORANDUM

TO: Senate State Affairs Committee Members

FROM: Representative H.A. "Red" Boucher, Chair  
House State Affairs Committee

DATE: April 27, 1990

RE: CSHB 563(SA) am

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CSSB 346(SA), sponsored by Senator Jim Duncan, is similar to CSHB 563(SA). Senator Duncan agreed that the House version should be advanced, and requested that language from CSSB 346 (SA) regarding disclosure of sources and amounts of appropriations from which the dividend is derived be incorporated into the House State Affairs bill. CSHB 563(SA) was amended on the House floor to include that language (see Section 2).

#### CSHB 563(SA) am

The following provides a sectional analysis of CSHB 563(SA) am:

**Section 1:** Describes how the value of each Permanent Fund dividend will be calculated each year.

Page 2, lines 6-9, (E) clarifies current practice; that is, the dividend amount is based on the net balance of the dividend fund once deductions are made for hold harmless, administrative costs, or other listed deductions.

**Section 2: (House Floor Amendment)** Discloses the amount and source of appropriations from which the dividend is derived from, and discloses all deductions which affect the dividend amount. Each stub would show:

(1) appropriations mandated by the constitution;

(2) special appropriations made by the legislature including inflation-proofing; and

(3) all deductions including administration and hold harmless costs.

Subparagraph (b) states that additional information explaining deductions would be enclosed with the dividend check. For example, deductions for the sex offender treatment program would be fully explained on a flyer enclosed with the check.

**Section 3: (House Floor Amendment)** \$100 is exempt from debt collection before and after payment is made. Exception is made for child support obligations, court ordered restitution, or debt owed the state.

**Section 4:** This is a **temporary law** which requires the commissioner of the Department of Revenue to prepare an explanation of itemized deductions contained on the 1989 check stub. **This explanation would be included with the 1990 check, but not printed on the stub.**

Contingent upon an appropriation (HB 511) or a court decision which reimburses the dividend fund for 1989 deductions (Violent Crimes Compensation Board, sex offender treatment program, prisoner gate money), this temporary law requires that the added money be shown as a credit on the 1990 dividend check stub.

**Section 5:** Effective date for Sections 1, 2, and 4 requires disclosure on 1990 dividend stub, and all subsequent dividend stubs.

**Section 6:** Section 6 takes effect on January 1, 1991.

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ment shall set the time limit for applica-  
tions for permanent fund dividends so  
that the number of eligible applicants is  
determined by October 1 of the year for  
which the dividend is declared and perma-  
nent fund dividends for a year are paid  
before April 30 of the year following that  
year;

"(3) adopt regulations under the Admin-  
istrative Procedure Act (AS 44.62) that es-  
tablish procedures and time limits for an  
individual upon emancipation or upon  
reaching majority to apply for permanent  
fund dividends not credited or received  
during minority because the parent,  
guardian, or other authorized representa-  
tive did not apply on behalf of the individ-  
ual;

"(4) assist residents of the state, partic-  
ularly in rural areas, who because of lan-  
guage, disability, or inaccessibility to pub-

lic transportation need assistance to es-  
tablish eligibility and to apply for perma-  
nent fund dividends; and

"(5) provide the commissioner of admin-  
istration with information necessary to  
maintain individual annuity account  
records and administer the annuity pro-  
gram."

Effect of amendments. — The 1984  
amendment substituted "October" for  
"December" in paragraph (2).

The 1988 amendment, effective May 26,  
1988, deleted "and" at the end of para-  
graph (3), and added paragraphs (5) and  
(6).

Editor's notes. — Section 4, ch. 54,  
SLA 1988 provides that the amendments  
made to this section by ch. 54, SLA 1988  
apply "only to eligibility for permanent  
fund dividends for years after 1988."

**Sec. 43.23.065. Exemption of permanent fund dividend.**

(a) Except as provided in (b) of this section, 50 percent of the annual  
permanent fund dividend payable to an individual is exempt from  
levy, execution, garnishment, attachment, or any other remedy for the  
collection of debt. This exemption applies to an eligible individual's  
permanent fund dividend both before and after payment is made to  
the individual.

(b) An exemption is not available under this section for permanent  
fund dividends taken to satisfy

(1) child support obligations required by court order or decision of  
the child support enforcement agency under AS 47.23.140 —  
47.23.220;

(2) court ordered restitution under AS 12.55.045 — 12.55.051 or  
12.55.100; or

(3) a debt owed by an eligible individual to an agency of the state,  
unless the debt is contested and an appeal is pending, or the time limit  
for filing an appeal has not expired.

(c) Claims listed in (b) of this section have priority in the order  
listed over other claims on a permanent fund dividend. (§ 1 ch 102  
SLA 1982; am § 1 ch 157 SLA 1984; am § 1 ch 57 SLA 1985; am § 67  
ch 138 SLA 1986; am § 3 ch 26 SLA 1989)

Revisor's notes. — Sections 12 and 13,  
ch. 99, SLA 1985, amend this section and  
add new (b) and (c). The amendments are  
effective if § 1, ch. 99, SLA 1985 is re-  
pealed (see § 25, ch. 99, SLA 1985). If the  
amendments become law, the section will  
read: "(a) Fifty percent of a cash perma-  
nent fund dividend payment is exempt  
from levy, execution, garnishment, at-  
tachment, or any other remedy for the col-

lection of debt. This exemption applies to  
an eligible individual's permanent fund  
dividend both before and after payment is  
made to the individual. An exemption is  
not available under this section for cash  
permanent fund dividend payments taken  
to satisfy (1) child support obligations re-  
quired by court order or decision of the  
child support enforcement agency under  
AS 47.23.140 — 47.23.220; (2) a debt owed

by an eligible individual to an agency of the state, unless the debt is contested and an appeal is pending, or the time limit for filing an appeal has not expired; or (3) court ordered restitution under AS 12.55.045 — 12.55.051 or 12.55.100. A child support obligation under (1) of this section has priority over a debt owed to an agency of the state, and a permanent fund dividend may not be taken to satisfy a debt under (2) of this section until any portion of the dividend necessary to satisfy a child support obligation has been taken.

"(b) The department shall require an individual to take 100 percent of the permanent fund dividend in cash if the department receives a levy, execution, garnishment, attachment or other legal remedy for the collection of a past due debt described in (a)(1) or (2) of this section.

"(c) The courts of this state may, as a condition of any civil judgment or restitution order under AS 12.55.045 — 12.55.051 or 12.55.100, require the defendant to take the defendant's permanent fund dividend in cash."

**Effect of amendments.** — The 1984 amendment added the last sentence and, in the next-to-last sentence, substituted "An exemption is not" for "No exemption is," inserted "(1)," and added the language

beginning with "(2) a debt" at the end of the sentence. Section 2, ch. 157, SLA 1984 limits the application of the 1984 amendment to dividends issued for 1984 and subsequent years.

The first 1985 amendment added "or (3) court ordered restitution under AS 12.55.045 — 12.55.051 or 12.55.100" at the end of the next-to-last sentence and in the last sentence inserted "or court ordered restitution" and "and court ordered restitution."

The second 1985 amendment, effective if § 1, ch. 99, SLA 1985 is repealed, rewrote subsection (a) and added subsections (b) and (c).

The 1986 amendment rewrote this section.

The 1989 amendment, effective May 12, 1989, repealed former paragraph (b)(3), relating to the court ordered probation fee, and redesignated former paragraph (b)(4) as present (b)(3).

**Editor's notes.** — Section 5, ch. 26, SLA 1989 provides that the amendments to (b) of this section by § 3, ch. 26, SLA 1989 "do not affect the collection of probation fee payments ordered by a court under AS 12.55.105, repealed by § 4 of this Act, after June 30, 1986, and before May 12, 1989."

**Sec. 43.23.067. Claims of defaulted scholarship loans.** (a) AS 09.38 does not apply to permanent fund dividends taken under AS 14.43.120(i). Notwithstanding AS 09.35, execution on a claim under AS 14.43.120(i) is accomplished by delivering a certified claim to the department containing the following information:

(1) the name and social security number of the individual whose dividend is being claimed;

(2) the amount the individual owes on the scholarship loan; and

(3) a statement that

(A) the debt has not been contested, or, if contested, that the issue has been resolved in favor of the Alaska Commission on Postsecondary Education; and

(B) if the debt has been contested and resolved in favor of the Alaska Commission on Postsecondary Education, no appeal is pending, the time limit for filing an appeal has expired, or the appeal has been resolved in favor of the commission.

(b) Upon receipt of a claim under (a) of this section the department shall notify the individual of the claim. The notice shall be sent to the address provided in the individual's permanent fund dividend application and must provide the following information:

(1) the amount of the claim; and



# Alaska State Legislature

House of Representatives  
COMMITTEE ON STATE AFFAIRS

LETTER OF INTENT  
TO ACCOMPANY  
CS HB 563 (SA)

February 28, 1990

It is the intent of the **House State Affairs Committee** that all deductions from the earnings of the Permanent Fund be disclosed to the public in accordance with the recommendations contained in the Final Report of the **Commission on the Future of the Permanent Fund**. Section 1 would require that all appropriations from the Dividend Fund be listed on the dividend check stub.

It is the intent that all additional deductions from earnings be disclosed in a form other than on the check stub realizing that there is insufficient space on the check stub to list all expenditures paid from annual earnings. Those disclosures should include, 1) the Permanent Fund Corporation's operating budget, 2) the annual reinvestment of earnings to off-set the effects of inflation, 3) the \$3.5 million appropriated to the Department of Law and 4) any other deductions from the Earnings Reserve Account, the Dividend Fund or earnings of the Permanent Fund that is not otherwise listed on the check stub.

Therefore, the House State Affairs Committee endorses the current Corporation practice of including an informational flyer with the dividend check, and encourages the expansion of this flyer to include information which explains the amount and purpose of each deductions during the prior year.

Rep. H. A. "Red" Boucher, Chairman

FISCAL NOTE

REQUEST

Revision Date: \_\_\_\_\_  
Title: An Act relating to the amount  
of the permanent fund dividend  
Sponsor: State Affairs Committee  
Requestor: \_\_\_\_\_

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

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
<b>OPERATING</b>						
PERSONAL SERVICES	22.0	-0-	-0-	-0-	-0-	-0-
TRAVEL	-0-	-0-	-0-	-0-	-0-	-0-
CONTRACTUAL	10.0	10.0	10.0	10.0	10.0	10.0
SUPPLIES	-0-	-0-	-0-	-0-	-0-	-0-
EQUIPMENT	-0-	-0-	-0-	-0-	-0-	-0-
LANDS & STRUCTURES	-0-	-0-	-0-	-0-	-0-	-0-
GRANTS, CLAIMS	-0-	-0-	-0-	-0-	-0-	-0-
MISCELLANEOUS	-0-	-0-	-0-	-0-	-0-	-0-
<b>TOTAL OPERATING</b>	<b>32.0</b>	<b>10.0</b>	<b>10.0</b>	<b>10.0</b>	<b>10.0</b>	<b>10.0</b>
<b>CAPITAL</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>
<b>REVENUE</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS	-0-	-0-	-0-	-0-	-0-	-0-
OTHER (PFD)	32.0	10.0	10.0	10.0	10.0	10.0
<b>TOTAL</b>	<b>32.0</b>	<b>10.0</b>	<b>10.0</b>	<b>10.0</b>	<b>10.0</b>	<b>10.0</b>

POSITIONS:

FULL-TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART-TIME	3	3	3	3	3	3
TEMPORARY	-0-	-0-	-0-	-0-	-0-	-0-

ANALYSIS: See attached.

Prepared By: Ervin Jones  
Division: Permanent Fund Dividend Division

Phone: 465-2323  
Date: February 28, 1990

Approved by Commissioner: [Signature]  
Agency: Revenue

Date: 2/28/90

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

Department of Revenue  
Permanent Fund Dividend Division  
Fiscal Note Analysis  
CSHB 563  
February 28, 1990

1. <u>Positions</u>	<u>FY 91</u>	<u>FY 92</u>
3 PPT Document Processor IIs, R8 @ \$2,446.08/Mo including salary and benefits for 3 months	= \$22.0	\$0.0
This position is to answer increased phone calls and letters regarding the special notice		
2. <u>Other Expenditures:</u>		
a) <u>Travel:</u>	\$0.0	\$0.0
b) <u>Contractual:</u>		
Estimated cost to print and fold 525,000 flyers	= \$10.0	\$10.0
c) <u>Supplies:</u>	\$0.0	\$0.0
d) <u>Equipment:</u>	\$0.0	\$0.0
<b>Total Cost</b>	<b>\$32.0</b>	<b>10.0</b>

Analysis:

Assuming the number of appropriations from the dividend fund, including administrative costs and hold harmless costs, stays under four, they can be identified on the face of the stub. A brief legislative history and purpose can be printed (in very small print) on the back. If more than four appropriations occur or if a more in-depth explanation is required, we will possibly have to go to a flyer insert, resulting in the noted contractual costs.

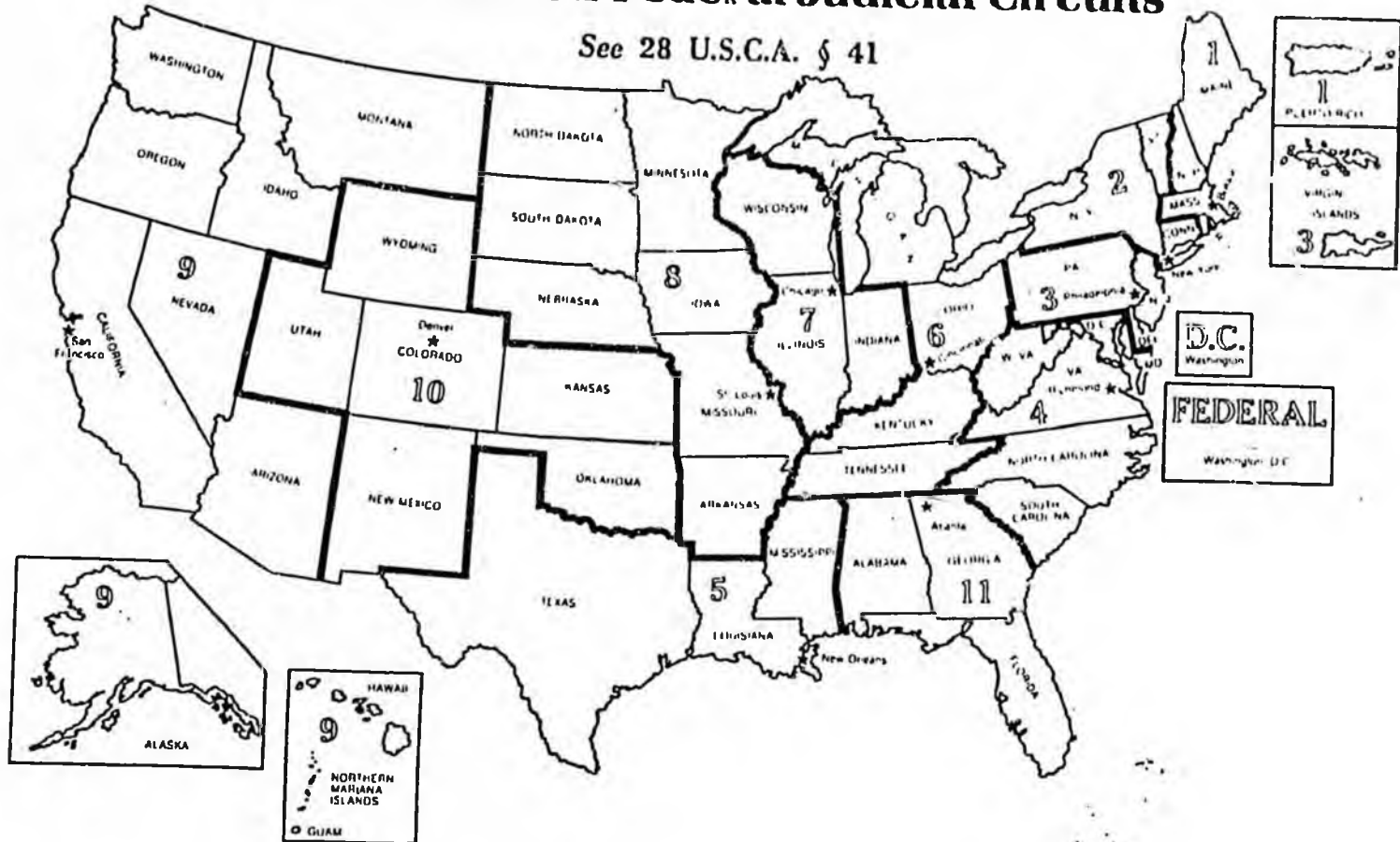
Regarding the one time requirement to insert an explanation of the 1989 appropriations in with the 1990 dividend, it is the considered opinion of this department that this action will create confusion in the public as to which year the deductions are for, etc., and will result in thousands of additional contacts. The additional staff is the estimated incremental cost of handling these usually irate and/or confused contacts.

H J R

68

# The Thirteen Federal Judicial Circuits

See 28 U.S.C.A. § 41



## NINTH CIRCUIT

SANDRA DAY O'CONNOR,  
Circuit Justice..... 9-22-81 ..... Washington, D. C.

## CIRCUIT JUDGES

ALFRED F. GOODWIN *, C. J. ....	11-30-71	Pasadena, Cal.
JAMES R. BROWNING.....	9-18-61	San Francisco, Cal.
J. CLIFFORD WALLACE * .....	6-28-72	San Diego, Cal.
PROCTER HUG, Jr.....	9-16-77	Reno, Nev.
THOMAS TANG .....	10-12-77	Phoenix, Ariz.
MARY M. SCHROEDER .....	9-26-79	Phoenix, Ariz.
BETTY B. FLETCHER.....	9-26-79	Seattle, Wash.
JEROME FARRIS.....	9-27-79	Seattle, Wash.
HARRY PREGERSON * .....	11- 2-79	Los Angeles, Cal.
ARTHUR L. ALARCON.....	11- 2-79	Los Angeles, Cal.
CECIL F. POOLE * .....	11-27-79	San Francisco, Cal.
DOROTHY W. NELSON.....	12-20-79	Pasadena, Cal.
WILLIAM C. CANBY, Jr.....	5-23-80	Phoenix, Ariz.
WILLIAM A. NORRIS.....	6-18-80	Los Angeles, Cal.
STEPHEN REINHARDT.....	9-11-80	Los Angeles, Cal.
ROBERT R. BEEZER .....	3-28-84	Seattle, Wash.
CYNTHIA HOLCOMB HALL * .....	10- 4-84	Pasadena, Cal.
CHARLES E. WIGGINS .....	10-11-84	Reno, Nev.
MELVIN BRUNETTI.....	4- 4-85	Reno, Nev.
ALEX KOZINSKI.....	11- 7-85	Pasadena, Cal.
JOHN T. NOONAN, Jr. ....	12-17-85	San Francisco, Cal.
DAVID R. THOMPSON.....	12-17-85	San Diego, Cal.
DIARMUID F. O'SCANNLAIN.....	9-26-86	Portland, Or.
EDWARD LEAVY * .....	3-23-87	Portland, Or.
STEPHEN S. TROTT.....	3-25-88	Boise, Idaho
FERDINAND F. FERNANDEZ * .....	5-22-89	Los Angeles, Cal.
PAMELA ANN RYMER * .....	5-22-89	Pasadena, Cal.

## SENIOR CIRCUIT JUDGES

RICHARD H. CHAMBERS .....	4-30-54	Tucson, Ariz.
STANLEY N. BARNES.....	3-21-56	Palm Springs, Cal.
CHARLES M. MERRILL.....	9-21-59	San Francisco, Cal.
M. OLIVER KOELSCH .....	9-23-59	Seattle, Wash.
EUGENE A. WRIGHT.....	9-15-69	Seattle, Wash.
JOHN F. KILKENNY * .....	9-16-69	Portland, Or.
HERBERT Y. C. CHOY.....	4-23-71	Honolulu, Hawaii
JOSEPH T. SNEED.....	8-24-73	San Francisco, Cal.
OTTO R. SKOPIL, Jr. * .....	9-26-79	Portland, Or.
WARREN J. FERGUSON * .....	11-27-79	Santa Ana, Cal.
ROBERT BOOCHEVER.....	6-18-80	Pasadena, Cal.

STATE OF ALASKA  
1990 LEGISLATIVE SESSION

BILL VERSION: HJR 68  
PUBLISH DATE: HOUSE 2/2/90

### FISCAL NOTE

**REQUEST:**

Revision Date: \_\_\_\_\_  
Title: Appointment to 9th Circuit  
Ct of Appeals  
Sponsor: Judiciary Committee  
Requestor: \_\_\_\_\_

Agency Affected: \_\_\_\_\_  
BRU: \_\_\_\_\_  
Components: \_\_\_\_\_

**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	-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						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

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

No fiscal impact.

Prepared by: House State Affairs Committee Phone: 465-4963  
Division: \_\_\_\_\_ Date: Jan 25, 1990

Approved by Commissioner: H. A. "Peet" Poulter, Chair Date: Jan 25, 1990  
Agency: \_\_\_\_\_

**Distribution (by preparer):**

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

**H J R**

**82**

## FISCAL NOTE

**REQUEST:**

Revision Date: \_\_\_\_\_  
 Title: Supporting a Police Corps  
           Program  
 Sponsor: Rep. Ellis  
 Requestor: House HESS Committee

Agency Affected: \_\_\_\_\_  
 BRU: \_\_\_\_\_  
 Components: \_\_\_\_\_

**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						
<b>TOTAL OPERATING</b>	0	0	0	0	0	0
<b>CAPITAL</b>						
<b>REVENUE</b>						

**FUNDING:** (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>	0	0	0	0	0	0

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

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

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# From College To Cops

*The Police Corps would trade tuition for four years on patrol*

By MICHAEL KRAMER

**M**ore cops! Everyone wants them, and everyone believes they are too expensive. Or almost everyone.

An idea that has been kicking around for nearly a decade is at last heading for a vote in the Senate. Called the Police Corps, it could dramatically increase the number of men and women patrolling America's cities.

The Police Corps is the brainchild of Adam Walinsky, a former top aide to Robert Kennedy. Its congressional sponsors run the ideological gamut. In the House the chief proponents are liberal Democrat John Lewis of Atlanta, who views the legislation as "vital" for his fellow blacks, and conservative Republican Robert Dornan of Orange County, Calif., who insists that "there is nothing partisan here because we're talking about survival."

In a simple notion reminiscent of the Reserve Officers' Training Corps, the Police Corps would offer a swap: each year 25,000 competitively selected high school students would win federal financing for their college education (at an annual cost of approximately \$10,000 a student); in exchange, they would agree to serve four years as local police officers after graduation. Fully funded, the program would set the feds back about \$1.2 billion a year. Once sworn in, the four-year cops would be a bargain. The localities they serve would pay their salaries but in most cases could avoid paying their pension benefits and seniority raises down the line.

Over the long term, corps members would cost far less than career officers—perhaps a third less in union-strong cities like New York.

The Police Corps promises three other benefits. Many urban police departments have trouble attracting qualified black and Hispanic recruits. A Justice Department survey has concluded that many inner-city minority youths would be attracted to the corps's service-for-college trade. Second, the infusion of college graduates would improve the overall educational level of local police forces. Finally, over time a sizable number of civilians would gain a better appreciation of police

work because they would have been cops themselves.

The need for more police has never been greater, as one chilling statistic reveals: the ratio of police officers to reported felonies has reversed since the late 1940s. Then there were 3.3 cops for every violent crime reported in big cities. By 1988 there were about 2.2 reported serious crimes for each cop nationwide. In large cities the ratio is even worse—so bad, in fact, that many police departments lack the manpower to respond to all 911 calls. The Police Corps would put cops where they are most needed: on the street. Because rookies begin their careers on patrol, it is estimated that the number of beat pounders could increase by 40%.

Police-union opposition stymied Walinsky's idea for years, but most of that has faded away. Which leaves the Bush Administration. During his 1988 presidential campaign, candidate Bush was prepared to support the corps in a late-October speech. "But after the second debate," says a White House aide, "we were so far ahead of Dukakis that we shied away from proposing anything new."



Cadets in training in Washington

Where is President Bush now? Some Administration officials cry poverty. Others, like drug czar William Bennett, want scarce crime-fighting dollars targeted for increased prison space and more prosecutors. "Bennett's crazy," says California State Senator Ed Davis, a former Los Angeles police chief. "The truth is we can't begin to confront violent crime unless we have more police on patrol as a deterrent. The trick is to front-load the system, to be there *before* the crime takes place."

The Police Corps is an idea George Bush almost stole—and should have stolen—in '88. If he acts fast, he can still claim partial credit. ■

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## REPRESENTATIVE JOHNNY ELLIS

### HJR 82: SUPPORTING A POLICE CORPS PROGRAM Questions and Answers

**Q: What is the Police Corps?**

The Police Corps is modeled after the R.O.T.C. program. It would give loans to pay for the college education of participants who agree to be full-time members of the local police forces after graduation. After the graduates complete four years of full-time police duty, the government would assume repayment of the loans.

**Q: How will this help fight crime?**

It would help fight crime by putting 100,000 new police officers on the streets -- an increase of 40 percent. This not only provides a significant deterrent to committing crimes, but also results in a higher number of arrests.

**Q: How will it work?**

Participants would be selected competitively by the Office of the Police Corps, which would be established as a part of the Justice Department. During their college summer vacations, the Police Corps students would be given special physical and police training. After graduation, they would join state or local police departments as regular duty officers for four years.

**Q: Who would participate?**

The Police Corps will recruit students into an extremely competitive application process, which will ensure that the program attracts young men and women who are among the brightest and most talented in the country. Bringing these students, many of whom would not have considered police service before, into the war against crime will be one of the biggest benefits that this program will give to society.

Over time, the Police Corps will become a routine point of entry into the law-enforcement community. Students with ambition to become judges, prosecutors, or criminal lawyers will vie for spots in the Corps, adding to the competitiveness of the program and ensuring that in the future, these professions will attract more people who understand and sympathize with the complexities, dangers, and difficulties of police work. This will help to unify society's efforts to win back our streets.

Q: Who will benefit from the Police Corps?

There are several beneficiaries of this program. The simplest answer to the question, though, is that everyone will gain. Our streets will be safer, our lives less constricted by the terrifying fear of crime, and our society filled with people who understand the realities of law enforcement.

Members of minority communities in particular will benefit from this program. Poor, black neighborhoods have been the ones hardest hit by crime.

Obviously, the students who enroll in this program will stand to gain from it also. Police Corps students will have their lives changed in a profoundly positive way by having their tuition paid and through service to their country and community.

Q: How will the Police Corps impact Alaska law enforcement?

In addition to urban police officers, passage of the Police Corps legislation, if amended as HJR 82 suggests, will help to increase the number of Village Patrol Safety Officers and State Troopers in our rural areas.

Q: How has this idea been received?

The Police Corps has been welcomed by law enforcement officials across the country, including representatives of some police unions. In the news media, support has come from such divergent sources as William F. Buckley and The Progressive. Newspapers like the New York Times, The New York Daily News, The Philadelphia Inquirer, and the Los Angeles Herald-Examiner have all given their editorial endorsement.

In short, this is a concept that all Americans can get behind, which is a great part of its value and appeal. This widespread support sends a clear message: that America is ready to take on crime and to reward those who choose to join that fight.

## On the Beat: ROTC for Cops

Can a hybrid of a domestic Peace Corps and ROTC help bring peace to city streets? Next month the Senate will consider the Police Corps Act, a program in which 25,000 participants a year would commit to two summers of training and four years of police work after college. In return, the government would repay up to \$10,000 a year in student loans. Developed by lawyer Adam Walinsky, a former aide to Robert Kennedy, the program appeals to both liberals and conservatives. "It will accomplish two high national

priorities—stronger law enforcement and improved education," says Pennsylvania GOP Sen. Arlen Specter.

Not all police professionals like the idea. Some see it as a costly (an estimated \$1.7 billion by the year 2000) way for college kids to try police work for personal gain. But New York City Police Commissioner Lee Brown says it could bolster a profession in which the average educational level is two years of community college. It might also broaden civilian understanding of cops. If more policymakers walked a beat, says American Uni-



ROBERT MAAS FOR NEWSWEEK

*Brown, once head Roosevelt*

versity professor James Fyfe, "maybe we wouldn't be discussing inner-city crime on a fifth-grade level."

WSWEEK: MARCH 5, 1990

## Police departments can't find enough qualified recruits

By DEAN CONGBALAY  
San Francisco Chronicle

Police departments across the nation have issued all-points bulletins for more officers, but not enough qualified candidates are answering the call.

Thousands of openings in

law enforcement are going unfilled. The culprits are an aging population, increased drug use among young people and a generation that never experienced military service.

"One problem is universal

with police departments, whether they're small or large, urban or rural, and that's trying to get good, qualified recruits," said Jerold Vaughn, director of the National Law Enforcement Leadership Institute near Tampa, Fla.

"Everyone is experiencing it."

The San Francisco Police Department has 221 openings — more than 11 percent of its allotted force.

Seattle is looking for 138 officers. The figure is 370 in Los Angeles, 500 in Chicago

and 1,000 in Washington.

"It's just tough to find anybody good these days," said Alameda (Calif.) County Sheriff Charlie Plummer, whose department is down by 35 deputies.

Please see Back Page, POLICE

### POLICE: Not enough

Continued from Page A-1

"We can only recruit from the human race. Sometimes we wish we could recruit from Mars and Jupiter."

It has never been easy to become a cop. Police departments have traditionally hired fewer than 10 percent of their applicants. In years past, it was not uncommon for many large departments to have lists of dozens of qualified candidates waiting.

This is no longer the case. Some departments now say they hire fewer than 1 percent of the people who apply for officer's jobs.

In an effort to prevent the situation from becoming worse, California law enforcement departments are scrambling to devise innovative methods to find good officers.

Contra Costa County sheriff's officials placed billboards along freeways in Emeryville and Benicia with a telephone number for prospective recruits to call if they want a job.

- In San Francisco, officers scour health clubs to search for "active" and fit people, recruiting director Kathleen Hurley said.

- Los Angeles police have a recruiter whose beat is to work with church pastors and to encourage them to preach from the pulpit about the benefits of being a police officer, Sergeant Joseph Peyton said.

- Fremont police hope they will soon become the first department in the Bay Area to reward officers with bonuses of \$500 for each police recruit they find who is hired by the city.

Whatever recruiters do, the likelihood remains that it will be difficult to find good recruits. The problem stems from a myriad of demographic and social factors:

- As population increases, so does crime, causing some law enforcement agencies to hire by the hundreds.

Recruiters also say there are fewer people today in their 20s, their target age group.

- Greater drug use among youth. Although most departments will consider someone who has experimented with illegal drugs, few if any will accept anyone who used the drugs on a

- No military experience. The discipline and outlook that people acquire through serving in the armed forces is lacking in many potential officers today, recruiters say.