

ALASKA LEGISLATURE COMMITTEE FILES

1993-1994

8672

7877

HOUSE JUDICIARY

INSURANCE AND INDEMNITY

1. GENERAL

The Concessioner shall save, hold harmless, defend and indemnify the United States of America, its agents and employees for losses, damages or judgments and expenses on account of fire or other peril, bodily injury, death or property damage or claims for bodily injury, death or property damage of any nature whatsoever, and by whomsoever made, arising out of the activities of the Concessioner, his employees, subcontractors, or agents under the contract. The types and amounts of insurance coverage purchased by the Concessioner shall be approved by the Secretary.

At the request of the Secretary the Concessioner shall annually, or at the time insurance is purchased, provide the Secretary with a Statement of Concessioner Insurance and Certificate of Insurance as evidence of compliance with this section and shall provide the Secretary thirty (30) days advance written notice of any material change in the Concessioner's insurance program hereunder.

The Secretary will not be responsible for any omissions or inadequacies of insurance coverages and amounts in the event the insurance purchased by the Concessioner proves to be inadequate or otherwise insufficient for any reason whatsoever.

2. PUBLIC LIABILITY

The Concessioner shall provide comprehensive general liability, or protection and indemnity, insurance against claims occasioned by actions or omissions of the Concessioner in carrying out the activities and operations authorized hereunder. Such insurance shall be in an amount commensurate with the degree of risk and the scope and size of such activities authorized herein, but in any event, the limits of liability shall not be less than the following amounts per occurrence covering both bodily injury and property damage:

<u># of passengers</u>	<u>Minimum Amount</u>
Up to 6	\$ 300,000 per occurrence
7 - 12	500,000 " "
13 - 20	1,000,000 " "
21 - 50	1,500,000 " "

If claims reduce available insurance below the required per occurrence limits, the Concessioner shall obtain additional insurance to restore the required limits. An umbrella or excess liability policy, in addition to a Comprehensive General Liability Policy, may be used to achieve the required limits.

From time to time, as conditions in the insurance industry warrant, the Secretary reserves the right to revise the minimum required limits.

All liability policies shall specify that the insurance company shall have no right of subrogation against the United States of America or shall provide that the United States of America is named an additional insured.

The Concessioner shall also obtain the following additional coverages at the same limits as required for Comprehensive General Liability insurance unless other limits are specified below:

- (1) Outfitters and Guides (if shore excursions are planned)
- (2) Liquor Liability (if liquor is served)
- (3) Product Liability (including food)
- (4) Alaska Statutory Workers' Compensation
- (5) Auto Liability (if autos are used in the park)

VISITOR'S ACKNOWLEDGEMENT OF RISK
(SAMPLE)

I recognize that there is an element of risk in any adventure, sport or activity associated with the outdoors. I am also fully cognizant of the risks and dangers inherent in _____ (activity(s)). Knowing of the inherent risks, (may include specific risks) dangers and rigors required of said activity(s), I certify that I am and my family, including minor children are fully capable of participating in the said activity(s). Therefore, I assume full responsibility for myself, my family, including minor children for bodily injury, death and loss of personal property and expenses thereof as a result of my negligence or the negligence of my family participating in said activity(s) except to the extent such damage or injury may be due to the negligence of _____ (concessioner). I further understand that _____ (concessioner) reserves the right to refuse any person it judges to be incapable of meeting the rigors and requirements of participating in _____ (activity(s)).

Name of Participants:

Self _____

Spouse _____

Minor Children _____

I have read, understand and accept the terms and conditions stated herein and acknowledge that this agreement shall be effective and binding upon the parties during the entire period of participation in the said activity(s).

Parent/Guardian _____

Customer Signature _____ Date _____

It is also understood that due to the unavailability of liability insurance that (concessioner) does not have such coverage and in the event of an accident resulting in bodily injury, death or loss of personal property (concessioner) ability to compensate me or members of my family may be limited.

NOTE: Form may be modified to provide for the signature of each individual member of a group.

JUST WORKING ON
A NEW ONE.

DRAFT

INFORMATION, BILL OF RIGHTS and TERMS

The purpose of this document is to set out the terms and conditions of liability for persons on the sailing vessel *ADVENTURESS* and its auxiliary equipment as operated by Andrew M. Spear who is also the owner of the vessel or his staff. This document does not relieve the owner from operating the vessel in a reasonable manner and does not remove your right to protection from acts of gross negligence. However, The *ADVENTURESS* is a sailing vessel and like most sailing vessels, it has numerous lines, wires, deck fittings and other obstacles which can be dangerous. As with all boats, it rolls, pitches and yaws and while under certain points of sail, it leans considerably. In addition, the *ADVENTURESS* is equipped with a small outboard powered inflatable tender boat. Because this is a light and fast vessel, it provides even greater risks. Life jackets should be worn at ALL TIMES when using this boat. Passengers who use this boat, do so entirely at their own risk. Should you rent, request or bring your own kayaks, MAST will not be liable for

The above conditions are to be expected and by being a passenger on this vessel you are accepting these elements of risk. It is also made clear here that:

It is set out here that the owner of this vessel is not in any way liable for accidents resulting from actions of passengers either to themselves or to other passengers. By way of example such actions include:

1. Injury caused by leaving the vessel without direction from the operator; eg. jumping onto the dock, jumping into the water and jumping into another boat.

2. Burns caused by hot foods or beverages

3. Accidents caused by intoxication

4. Tripping, slipping and falling except where the operator is grossly negligent

5. Rope burns or other line handling injuries

6. Accidents caused by Alaska's different fish and wildlife or the passenger, attempts to catch or photograph them. It is also recognized that passengers unfamiliar with the way of boats present considerable risk to the owner/operator and to the vessel and that risk is accepted, however, passengers will be expected to act in a reasonable manner and will be responsible for injuries and damages they may cause deliberately, by gross negligence or actions of malicious intent. Finally, as passengers, you should be familiar with:

1. The location and operation of all lifesaving equipment,

2. The emergency procedures, and

3. The location and operation of fire extinguishers.

IF YOU DO NOT KNOW, ASK.

I have read and understand this notice _____

Sugar Leaf Packings, Transport, Inc

2-13-94

P.O. Box 10

Healy, AK 99743-00

Jeanette James
Alaska State Legislature
MS 31100
Juneau, AK 99801-1182

Ms. James,

I implore you to please help get Bill:
HB 300 Civil Liabilities for Commercial
Recreational Activities before the House
Judiciary and passed.

We give horseback tours beside
Denali Park line on the Healy side,
milepost 245. We gave over 2600 rides
last summer for one and two hours.
We paid \$8700.00 for liability coverage
from Cathcart Insurance.

Still we are "always on guard"
for that one frivolous lawsuit that
could ultimately wipe us out of
business.

We have a very good safety record.
Still one person has sent all their
medical bills, for 6 months, to be
paid by our insurance. She fell
off a horse that bolted from the scent of
a bear. She was riding Comp (free)
from Greysine to learn about the trail
ride. She was a rail car manager.
She broke 2 fingers in the fall. They
healed & she crushed them later
doing something else. The matter
is pending at this time. She
was 38 yrs old.

another lady client mounted a horse and was waiting for her guide to mount along with 3 other members of her family. She was 65 yrs. She was going to ride because the other members wanted to ride. Her horse moved a step, she panicked, in spite of being asked to let up on the reins, she pulled back hard, continuing to pull. She caused the horse to back up until he tripped one foot on a bush. This caused that hip to drop on the horse unbalancing the lady, she slipped off & onto the ground upon her hip.

She was helped up and asked for a different horse. We obliged. She made the one hour ride. "Statins by pen" this was the only way to "see black" up close. By the time she had returned home by rail, cruise ship & plane to Iowa, she was unable to walk without a walker & was suing us for a gardener, housekeeper, pain medication all due to the one hour ride, falling off the horse. She was a gardener, writer & seminar gardener. She had a condition that had deteriorated. Our insurance is handling the matter.

She had become unable to do
seminars. She said the horses
were in poor condition, poor manners,
and she had been poorly treated
by Sugar Loaf employees and Princess
Tour. We are lucky we had
gotten the horses vet checked,
and their condition was very good.
The amount of riders testified to
the quality of rides and guest
treatment. Safety is number
one in our company. We have
been in business 5 yrs with
Princess. And in horse business
for 9 yrs. We are a reputable
business.

We give safe^{ty} and information
talks prior to each ride for inform-
ation, horsemanship and to give
each guest a chance to "back"
out gracefully should they choose to
do so.

Generally, we are treated fairly
by most customers. We like
"showing off" Alaska by horseback
but still feel threatened
by "frivolous" suits by a few "bad
Apples".

We feel we have to watch our
backs all the time.

We employ 8 to 12 employees
every summer May to September
Approximately \$23,000⁰⁰ payroll.

it costs \$1,410⁰⁰ for workmen
comp, \$1,261⁰⁰ for liability for
clients in our vehicles, and
this summer our liability for
Client riders will be about

\$12,000⁰⁰ or more for coverage.

Horse feed \$15,000⁰⁰

Horses - 15 22,000⁰⁰

Land Use + CD 1360⁰⁰

Licenses 500⁰⁰

(transporters,
business, lunch,
tax)

all of this before we open
the door for business. a business
that could be closed instantly
by one large suit.

We work 16 hrs a day.

every day and have yet to

profit but this could be the year

we do. We've incorporated

the business.

We would greatly appreciate

your help with H&S 300 at

least there would be a lite

at the end of the tunnel.

Who has been like Russian

Roulette still now.

Sincerely

Thylis A. Stucke

Office manager
Rich Stucke jr.

Owner

Any Questions? - 917-683-2402



Sustainable recreation and tourism for a quality future

P.O. Box 1353
Valdez, AK 99686
Phone: 907-835-4300
Fax: 907.835.5679

February 9, 1994

Honorable Bill Hudson
Alaska State Legislature
State Capitol (MS 3100)
Juneau, Alaska 99801-1182

Dear Representative Hudson:

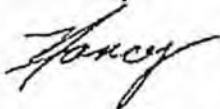
I am writing to you on behalf of the Alaska Wilderness Recreation and Tourism Association's members to request that you schedule HB 300 An Act Relating to Civil Liability for Commercial Recreation for hearings and move it out of your committee.

This bill establishes the responsibilities of tour operators and participants. It increases the safety of commercial recreational activities through better preparedness on the part of tour operators to respond to a medical situation and increased awareness by trip participants of the inherent risks. The bill reduces the likelihood of frivolous suits which are becoming a significant problem in the industry elsewhere. At AWRTA's annual meeting last year, a representative from AWRTA's group insurance company gave several examples of insurance scams that "tourists" are running in other states.

Other states, including Wisconsin and Colorado, have passed similar legislation. It has resulted in significant reductions in insurance premiums. Insurance premiums in Alaska are extremely high for small tour operators. Our own company, Alaska Wilderness Sailing Safaris, pays about \$10 a day per person in insurance costs for guests to walk in the Chugach National Forest. This is in addition to our insurance for the time they spend sailing. For Alaskan commercial recreation businesses to remain competitive price-wise with other states, we must have comparable insurance rates.

On behalf of our 230 business members, I encourage you to pass this bill out of committee as soon as possible.

Sincerely,



Nancy R. Lethcoe

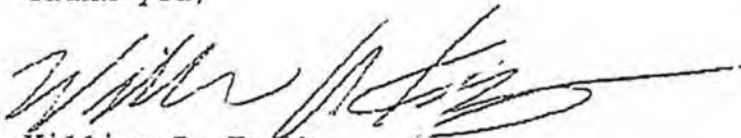
Kenai Peninsula Hike'n'Lunch Tours
 203 Pamela Ct.
 Kenai, AK 99611
 (907) 283-8010

February 21, 1994

Dear Representative Bill Hudson, Chairman House Labor and
 Commerce Committee:

It has recently been brought to my attention HB 300 Civil
 Liability for Commercial Recreation Activities is in the
 committee you chair and furthermore I learn it will be going
 up for a hearing on February 24th. I wish to say I strongly
 support this bill because it clarifies my obligations to my
 clients and will probably reduce my liability insurance
 cost. Please help the Tourism Industry's small businesses
 by moving this bill through your committee.

Thank-you,



William D. Heath
 owner, Hike'n'Lunch Tours

Post-It™ brand fax transmittal memo 7671		# of pages	1
To	<i>H. L. H.</i>	From	<i>Joh. Lio</i>
Cc	<i>Written testimony</i>	Co.	<i>for HB 300</i>
Dept.		Phone #	
Fax #		Fax #	



ALASKA
WILDLAND™

ADVENTURES

Dear Representative Hudson -

Fax - 465-6790

We urge you to schedule HB300 regarding civil liability for commercial recreation.

The bill would serve to reduce insurance costs for operators, a very high cost for us all. Other states have passed similar legislation with good results.

Having the bill out of committee would do great service to small tourism companies in Alaska.

Thanks for listening,
Dave Henne President

P.O. Box 589 • Girdwood, AK 99587

DIRECT: 907-783-2928 • OUTSIDE ALASKA: 800-334-8730 • WITHIN ALASKA: 800-478-4100

FAX: 907-783-2150



GLACIER BAY SEA KAYAKS

P. O. BOX 26
GUSTAVUS, ALASKA 99826
(907) 697-2257

15 February 1994

Representative Jerry Mackie
Alaska State Legislature
State Capitol
MS 3100
Juneau, AK 99801-1182

Dear Representative Mackie:

I am writing on behalf of HB 300 Civil Liability for Commercial Recreation Activities, and to let you know that our company supports this bill.

It's my understanding that this bill will help establish the responsibilities of both the people who operate the commercial activity and those that participate in it. In so doing, it's the intent of this bill to reduce uncertainty regarding the legal responsibility for injuries that may result from participation in such activities.

The passage of this bill could dramatically reduce insurance premiums for recreation businesses in Alaska, where profit margins are often borderline anyway due to the seasonal nature of the recreation industry in this state. Further, this bill would help to mitigate the effects that out-of-state accidents have on our insurance premiums. It would clearly reduce the number and amounts of out-of-court settlements.

I urge you give this bill high priority and to schedule a hearing to move this bill out of committee and on to the House Judiciary.

Thank you for your swift attention on this matter.

Sincerely,

A handwritten signature in cursive script that reads "Kara Berg". The signature is written in dark ink and is positioned above the typed name.

Kara Berg
Glacier Bay Sea Kayaks, Inc.

Afognak Wilderness Lodge

SEAL BAY, ALASKA 99697

CATERING TO ADVENTUROUS VACATIONERS • PHOTOGRAPHERS • FISHERMEN • HUNTERS

Radio Phone Contact: (907) 486-6442
FAX: (907) 486-2217

ROY & SHANNON RANDALL
Owners & Operators

FAX: 465-6790

February 21st, 1994.

Honorable Bill Hudson,
Alaska State Legislature,
State Capitol [MS 3100]
Juneau, AK 99801-1182

Dear Representative Hudson,

We request that you schedule HB 300 for hearings and move it out of your committee. Alaska's multitude of small "Mom & Pop" businesses are already under tremendous financial burdens to maintain both quality and all legal permits, insurances, etc. and we would like our Alaskan legislators to be more on our side as Wisconsin & Colorado legislators have helped their constituents.

Many thanks, in advance, for your consideration.

Cordially,



Roy & Shannon Randall,
Afognak Wilderness Lodge.

February 15, 1994

Linda Giguere
Legislative Aide

Dear Linda,

Per our phone conversation yesterday, I want to put a few thoughts in writing regarding HB 300.

This bill is important to me because I know that many people living in the villages want to start small-scale tourism businesses but are stopped, in part, by the high cost of insurance. Anything the legislature can do to relieve or remove this obstacle to rural tourism development would be greatly appreciated by many people.

I am currently working for the City Council of a small Interior Athabascan village to develop their village as a tourism destination. Several residents there want to start small tourism operations. Insurance costs are inhibiting some of these potential businesspeople. They know the dangers of bush excursions and the terms of HB 300 would suit the kind of clients and activities they want to have.

I hope that you can hold a hearing on HB 300 during this session and move out of committee to a successful vote on the floor. Thank you for your time, attention, and energy on this crucial piece of legislation.

Sincerely,

David Corrberg, Ph.D.
General Manager
LOCAL WORKS, Inc.
P.O. Box 82631
Fairbanks, AK 99708

488-7328



Clearwater Outdoor Services

Peter R. Buist - Registered Guide/Outfitter

P.O. Box 71561 - Fairbanks, Alaska 99707

(907) 457-7189

February 14, 1994

Representative Bill Hudson
State Capitol
Juneau, AK 99801-1182

RE: HB 300 - Civil Liability for Commercial Recreation
Activities

Dear Representative Hudson:

It is my understanding that this bill is currently in your Labor and Commerce Committee. I would appreciate your consideration for an amendment to this bill to include the more traditional Alaskan "supervised commercial outdoor recreation activities," namely hunting, fishing and dogsledding.

I support the concept of the bill, but wish the eco-tourism folks would be a little more fair in their scope. Hunting guides have far more problems with insurance requirements, even though they seem to be killing fewer tourists than the rafters and kayakers!

Thank you.

Sincerely,

Pete Buist
Registered Guide-Outfitter #477





GLACIER BAY SEA KAYAKS

P.O. BOX 26
GUSTAVUS, ALASKA 99826
(907) 697-2257

15 February 1994

Representative Bill Hudson
Alaska State Legislature
State Capitol
MS 3100
Juneau, AK 99801-1182

Dear Representative Hudson:

I am writing on behalf of HB 300 Civil Liability for Commercial Recreation Activities, and to let you know that our company supports this bill.

It's my understanding that this bill will help establish the responsibilities of both the people who operate the commercial activity and those that participate in it. In so doing, it's the intent of this bill to reduce uncertainty regarding the legal responsibility for injuries that may result from participation in such activities.

The passage of this bill could dramatically reduce insurance premiums for recreation businesses in Alaska, where profit margins are often borderline anyway due to the seasonal nature of the recreation industry in this state. Further, this bill would help to mitigate the effects that out-of-state accidents have on our insurance premiums. It would clearly reduce the number and amounts of out-of-court settlements.

I urge you give this bill high priority and to schedule a hearing to move this bill out of committee and on to the House Judiciary.

Thank you for your swift attention on this matter.

Sincerely,

A handwritten signature in cursive script that reads "Kara Berg". The signature is written in dark ink and is positioned above the typed name and company name.

Kara Berg
Glacier Bay Sea Kayaks, Inc.

RE: HB 300

2-14-94

Please help small, local recreation businesses by supporting this bill.

Two huge worries we have are:

- 1) The tremendous cost of commercial liability insurance
- 2) The constant worry about being sued

We are not organized in a high profile way because our energies are focused on operating our businesses. So please consider our needs.

Nelda J. Osprey

H B

3 1 3

HOUSE COMMITTEE REPORT

(7)

Date Referred: January 10, 1994

FURTHER REFERRALS:

Finance

Date of Committee Action: 1-31-94

The JUDICIARY Committee considered:

HB 313

HOUSE BILL NO. 313

SUSPENDED IMPOSITION OF SENTENCES

"An Act relating to suspended imposition of criminal sentences and to the period in which suspension of the imposition of sentence for conviction of the crime of disorderly conduct may be authorized."

RECOMMENDATIONS:

be replaced with

CS HB 313 (JUD)

[] the same title

[] a new title

[] have attached amendments(s)

[] do pass

[] do not pass

[] no recommendations

[X] individual recommendations

[] additional referral to the _____ Committee

ADOPTS: _____ letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept)

APPROVES PREVIOUS: (Dept/Date)

[] fiscal impact _____

[] fiscal note(s) _____

[X] zero fiscal note ^{of sust. corr., law, pub def, pub sh.} [] zero fiscal note(s) _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
<i>Peter East</i>	✓	<i>Joseph P. ...</i>			✓
<i>Brian D. Porter</i>	✓	<i>Robert Phillips</i>			✓
<i>Don ...</i>	✓	<i>...</i>			✓

Brian D. Porter
CHAIRMAN'S SIGNATURE

8-LS1174K ✓
Chenoweth
1/28/94

CS FOR HOUSE BILL NO. 313()
IN THE LEGISLATURE OF THE STATE OF ALASKA
EIGHTEENTH LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): REPRESENTATIVE KOTT

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to suspended imposition of criminal sentences and to the
2 imposition of sentence when a suspended imposition of sentence is revoked."

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

4 * Section 1. AS 12.55.085(a) is amended to read:

5 (a) Except as provided in (f) of this section, if it appears that there are
6 circumstances in mitigation of the punishment, or that the ends of justice will be
7 served, the court may, in its discretion, suspend the imposition of sentence and may
8 direct that the suspension continue for a period of time, not exceeding the maximum
9 term of sentence that may be imposed or a period of one year, whichever is greater,
10 and upon the terms and conditions that the court determines, and shall place the person
11 on probation, under the charge and supervision of the probation officer of the court
12 during the suspension.

13 * Sec. 2. AS 12.55.085(c) is amended to read:

14 (c) Upon the revocation and termination of the probation, the court may



1 pronounce sentence at any time within the maximum probation period authorized
2 by this section [AFTER THE SUSPENSION OF THE SENTENCE WITHIN THE
3 LONGEST PERIOD FOR WHICH THE DEFENDANT MIGHT HAVE BEEN
4 SENTENCED], subject to the limitation specified in AS 12.55.086(c).

5 * Sec. 3. APPLICABILITY. The amendments to AS 12.55.085(a) and (c) made by this
6 Act apply to suspensions of imposition of criminal sentences that are imposed for offenses that
7 are committed on or after the effective date of this Act.

Alaska State Legislature
House of Representatives

COMMITTEES:
HEALTH, EDUCATION
& SOCIAL SERVICES
JUDICIARY
STATE AFFAIRS

SPECIAL COMMITTEES:
MILITARY & VETERANS AFFAIRS
OIL & GAS



INTERIM:
EAGLE CENTER, SUITE 141
EAGLE RIVER, AK 99577
PHONE (907) 694-8944
FAX 694-8945

SESSION:
STATE CAPITOL
JUNEAU, AK 99811
PHONE (907) 465-3777

Representative Pete Kott

January 28, 1994

The Honorable Representative Brian Porter
Chairman
House Judiciary Committee

Re: HB 313

Please find attached hereto the following:

- (1) CS HB 313();
- (2) Sponsor Statement for CS HB 313();
- (3) Sectional Analysis for CS HB 313().

It is my intent to urge adoption of CS HB 313() by the Judiciary Committee.

Because of time constraints, new fiscal notes have not been ordered with respect to the proposed committee substitute. However, due to the nature of the change, I do not anticipate that any of the affected agencies will modify the notes already provided to the committee with respect to the original bill. Should the committee adopt the proposed committee substitute, I will ensure that new fiscal notes are ordered.

Staff Counsel for the Judiciary Committee suggested that it would be helpful to the Committee to submit a list of Class B misdemeanors. In compliance with this suggestion, I have appended to the end of my Sponsor Statement a list of such crimes. This list should not be viewed as exhaustive.

Thank you for your prompt consideration of this matter. Please feel free to contact my office at any time should there be any questions or concerns.

Sincerely,

A handwritten signature in black ink, appearing to read "Pete Kott".

Pete Kott
District 24



Alaska State Legislature
House of Representatives

COMMITTEES:
HEALTH, EDUCATION
& SOCIAL SERVICES
JUDICIARY
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FAX 694-8945

SESSION:
STATE CAPITOL
JUNEAU, AK 99811
PHONE (907) 465-3777

Representative Pete Kott

SPONSOR STATEMENT
CS FOR HOUSE BILL NO. 313()

In criminal cases, when a person is convicted of a crime and there are circumstances in mitigation of punishment, or when justice would be promoted, the court has the option of suspending imposition of sentence. When this occurs, no sentence is imposed. Instead, the defendant is placed on probation for a period of time, subject to reasonable conditions. If the defendant does not comply with the conditions of probation, the Court has the option of revoking probation and imposing sentence. If probation conditions are satisfied, sentence is never imposed and at the end of the probationary period the underlying judgment is vacated.

Under existing law, the probationary period available to a court when suspending imposition of sentence can not exceed the amount of time the defendant could be sentenced to jail. For example, Class A misdemeanors carry a potential of up to a year in jail. Accordingly, suspended imposition of sentences in cases involving class A misdemeanors could involve probationary periods of up to a year. This limitation of probationary periods is reasonable in almost all classes of offenses.

The crime of disorderly conduct, however, poses a problem. This is because it carries a potential jail term of only 10 days. What this means is that the court, when suspending imposition of sentence, is limited to a probationary period of but 10 days, which is meaningless. Disorderly Conduct is a Class B misdemeanor. Other Class B misdemeanors carry a potential jail term of but 90 days, which means that probation when imposition of sentence is suspended is limited to only 90 days. Depending on the circumstances, even 90 days may not be sufficient.

Disorderly Conduct and other Class B misdemeanors are very minor offenses, often involving youthful, first-time offenders. These offenders are the very people for whom the suspended imposition of sentence statute was intended. It therefore is desirable to have suspended imposition of sentence available in Disorderly Conduct



and other Class B misdemeanor cases. However, it also is desirable to permit the court to impose a reasonable period of probation. Ten days in Disorderly Conduct cases is just not long enough to have any meaningful effect on rehabilitation or for monitoring the defendant's behavior. Similarly, 90 days probation in other Class B misdemeanor cases, depending on circumstances, may be too short a period.

CS HB 313() cures this problem by permitting probation of up to one year when suspending imposition of sentence in all Class B misdemeanor cases, including Disorderly Conduct cases. This period is not mandatory. Sentencing judges retain the discretion to impose a shorter period where warranted. However, CS HB 313 () grants sentencing judges the flexibility of imposing probation of up to a year when suspending imposition of sentence in Class B misdemeanor cases if they deem it advisable. No other substantive changes are made in the law.

This bill, as discussed above, affects only the permissible probationary period when suspending imposition of sentence in Class B misdemeanor cases. Class B misdemeanors are the least serious criminal offenses in the State of Alaska. A non-exhaustive sample of Class B misdemeanors includes the following: Theft in the Fourth Degree (AS 11.46.150); Criminal Trespass in the Second Degree (AS 11.46.330); Disregard of a Highway Obstruction (AS 11.46.460); Criminal Mischief in the Fourth Degree (AS 11.46.486); Impersonating a Public Servant (AS 11.56.830); Disorderly Conduct (AS 11.61.110); Harassment (AS 11.61.120); Obstruction of Highway (AS 11.61.150); Misconduct Involving Weapons in the Fifth Degree (AS 11.61.220); and, Misconduct Involving Controlled Substance in the Sixth Degree (AS 11.71.060). As indicated, this list is not exhaustive.

Alaska State Legislature
House of Representatives

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PHONE (907) 465-3777

Representative Pete Kott

SECTIONAL ANALYSIS
CS HB 313()

Section 1:

This section of CS HB 313() amends AS 12.55.085(a) to permit judicial officers to suspend imposition of sentence in criminal cases for the maximum period of time that incarceration could be ordered or for a period of one year, whichever is greater. Before this change, criminal defendants could receive suspended imposition of sentences only up to the maximum period of time they could be sentenced to imprisonment.

Section 2:

This section is an amendment conforming AS 12.55.085(c) to the change made in Section 1 of this bill, thus permitting the Court to revoke probation and impose sentence during the entire period of probation ordered concomitantly with a suspended imposition of sentence.

Section 3:

This section makes it clear that the above discussed amendments apply only to crimes committed on or after the effective date of the Act.



SECTIONAL ANALYSIS



FISCAL NOTE

STATE OF ALASKA
1994 LEGISLATIVE SESSION

BILL NO. HB 313

Revision Date: _____
Title: 'An Act relating to suspend imposition
of criminal sentences . . .
Sponsor: Rep. Kott
Requestor: (H) Jud.

Department Affected: Administration
BRU: Public Defender Agency
Component: Public Defender Agency
COMPONENT SERIAL NO. 1631

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL EXPENDITURES	0	0	0	0	0	0
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CHANGE IN REVENUES ()	0	0	0	0	0	0
------------------------	---	---	---	---	---	---

FUNDING SOURCE: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
OTHER						
TOTAL	0	0	0	0	0	0

Estimate of any current year (FY 94) cost: \$ 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.)

Prepared by: John Salemi, Public Defender
Division: Public Defender Agency

Phone: 279-7541
Date: _____

Approved by Commissioner: Nancy Bear Usora
Agency: Department of Administration

Date: 1/18/94

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STATE OF ALASKA
1994 LEGISLATIVE SESSION

FISCAL NOTE
BILL NO.

HB 313

Revision Date: _____ Dept. Affected: Corrections
 Title: SIS for Disorderly Conduct BRU: Statewide Operations
 Component: All Regional Probation Offices
 Sponsor: Rep. Kott
 Requestor: Rep. Kott COMPONENT SERIAL NO. 710, 723, 727

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY95	FY96	FY97	FY98	FY99	FY00
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS:	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
----------------	----------	----------	----------	----------	----------	----------

CHANGE IN REVENUES ()	0	0	0	0	0	0
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FUNDING: (Thousands of Dollars)

1002 Federal Receipts	0	0	0	0	0	0
1003 GF Match	0	0	0	0	0	0
1004 GF	0	0	0	0	0	0
1005 GF/Program Receipts	0	0	0	0	0	0
1006 GF/MHTIA	0	0	0	0	0	0
Other	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

Estimate of current year (FY94) impact: \$ 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)

Probation Officers do not supervise misdemeanants. Any change in length of SIS for a misdemeanor would have no impact on the department's regional probation offices.

Prepared By: Diane Schenker, Special Assistant Phone: 465-3315/561-4426
 Division: Office of the Commissioner Date: 1/12/94
 Approved by Commissioner: J. Frank Prewitt, Jr. Date: 1-18-94
 Agency: Department of Corrections

PREPARER TO PRO

LEGISLATIVE OFFICE.

FISCAL NOTE

BILL NO. HB 313

STATE OF ALASKA
1994 LEGISLATIVE SESSION

Revision Date: _____
Title: "An Act relating to suspended imposition
of criminal sentences . . ."
Sponsor: Rep. Kolt
Requestor: (H) Jud.

Department Affected: Administration
BRU: Office of Public Advocacy
Component: Office of Public Advocacy
COMPONENT SERIAL NO. 43

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL EXPENDITURES	0	0	0	0	0	0
CHANGE IN REVENUES: ()	0	0	0	0	0	0

FUNDING SOURCE: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
OTHER						
TOTAL	0	0	0	0	0	0

Estimate of any current year (FY 94) cost: \$ 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.)

Prepared by: Brant McGee, Director
Division: Office of Public Advocacy

Phone: 274-1684
Date: _____

Approved by Commissioner: Nancy Bear Usera
Agency: Department of Administration

Date: 1/18/94

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FISCAL NOTE

STATE OF ALASKA
1994 LEGISLATIVE SESSION

BILL NO: HB 313

Revision Date: _____ Dept. Affected: Public Safety
 Title: "An act relating to suspension of imposition
of criminal sentences." BRU: Alaska State Troopers
 Component: Detachments
 Sponsor: Representative Kott
 Requestor: H. JUD COMPONENT SERIAL NO. 799

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

OPERATING	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
REVENUE FUND SOURCE:						

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of current year (FY 94) impact: \$ _____

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary.)

No fiscal impact upon the Alaska State Troopers is anticipated.

Prepared By: Francis C. Allan Phone: (907) 269-5691
 Division: Alaska State Troopers Date: 01/12/94
 Approved by Commissioner: *[Signature]* Date: 01/19/94
 Agency: Richard L. Burton, Dept. of Public Safety

PREPARER TO _____ OR'S LEGISLATIVE OFFICE

_____slative Office

BILL NO: HB 313

DATE: January 19, 1994

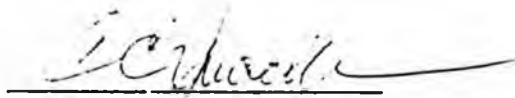
TITLE: "An Act relating to
suspension of imposition of
criminal sentences. . ."

CONTACT: C.E. Swackhammer
Deputy Commissioner
465-4322

HB 313 would amend the current disorderly conduct punishment section to include a suspended imposition of sentence for ninety days from the time of sentencing. The bill also allows a change in AS 12.55.085 so that the legislature can extend the period of time for which a sentence may be suspended for any specific crime.

This bill has no impact on AST enforcement practices and primarily has a post sentence impact. The bill allows for an informal probation to be imposed by the court requiring the individual charged to adhere to acceptable behavior standards over the course of the suspended sentence and as a result of that conduct allows the individual to have the sentence and ultimately the record suspended in the case of this minor charge.

The Department supports this bill. It would be a savings in court time for Troopers involved in these cases and it would most likely result in more pleas of no contest or guilty. It should also relieve some prosecution time and jail bed space. In most cases the ends of justice and the community is served best by requiring the individual involved to refrain from the activity for which he is charged under disorderly conduct. This may be accomplished appropriately with SIS sentences being extended over ninety days.



Richard L. Burton
Commissioner

H B

3 1 5

Alaska State Legislature

Representative Brian S. Porter



CHAIRMAN
HOUSE JUDICIARY COMMITTEE

MEMBER
HOUSE LABOR & COMMERCE COMMITTEE
SELECT COMMITTEE ON LEGISLATIVE ETHICS

MEMBER
FINANCE SUBCOMMITTEES
DEPARTMENT OF LAW
DEPARTMENT OF PUBLIC SAFETY
COURTS

SESSION:
STATE CAPITOL ROOM 118
JUNEAU, ALASKA 99801-1182
PHONE: (907) 465-4930
FAX: (907) 465-3834

INTERIM:
716 W. 4TH AVE., SUITE 040
ANCHORAGE, AK 99501-2133
PHONE: (907) 258-8197
FAX: (907) 258-5510

DISTRICT 20

SPONSOR STATEMENT **HB 315 - Theft of Cable Service**

If you are paying for Cable Service, your money is not only used by the local cable company to fund its operation but is also passed on to the people who run the satellites, the programming distributors and the people who produce that programming. If someone is using equipment designed to circumvent paying for these services then they are not only stealing from each and every one of the companies involved in bringing cable programming to your home, they are stealing from you.

The Alaska Cable Television Association estimates that annual theft of cable television service in Alaska exceeds \$1,000,000 based on a conservative rate of 2.5% of service revenues. HB 315 provides a more accurate definition of cable service theft along with criminal penalties which should act as a better deterrent to anyone considering the purchase and use of illegal devices.

Recently published demographic information lists our State as third in population in front of only Vermont and Wyoming. We are, though, the most difficult state in which to provide cable service as we have our small population spread over such a big expanse and have no adjacent population centers. Without a reasonable level of volume, cable service just won't pencil out in a given area and consequently will not be offered. This is one of the reasons why this legislation, to assure, as much as possible, that everyone who receives this service pays for the service, is so important in Alaska. Additionally, there is indication that our illegal interception problem may already be twice as bad as the national average.

This legislation fills a gap in law that now makes enforcement virtually impossible.

I would appreciate your favorable consideration of this important legislation.

DIVISION OF LEGAL SERVICES

**LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA**

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

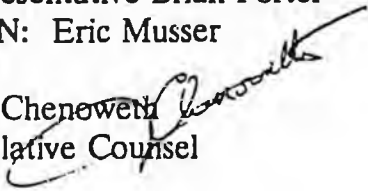
130 Seward Street, Suite 409
Juneau, Alaska 99801-2105

MEMORANDUM

January 12, 1994

SUBJECT: House Bill 315 -- Sectional analysis (Work Order No. 8-LS1200J)

TO: Representative Brian Porter
ATTN: Eric Musser

FROM: Jack Chenoweth 
Legislative Counsel

House Bill 315 amends four sections of the chapter of the state criminal code defining offenses against property--theft offenses--to address theft of subscription cable services.

Essential to an understanding of the bill is an appreciation drawn in its section 3, defining "theft of services." To the definition of "theft of services" is added one additional offense--the taking of services provided by a subscription cable system without authorization of the system. The offense may involve any one of several acts. In bill section 3, proposed AS 11.46.200(a)(4)(A) generally speaks to action taken knowingly in order to obtain unauthorized interception, receipt, or use of a program or other service provided by the subscription cable system, while proposed AS 11.46.200(a)(4)(B) generally prohibits unauthorized manufacture, distribution, sale, and like acts designed to decode, descramble, or intercept a nonstandard signal carried by the subscription cable system. The distinction essentially is drawn between illicit activity to obtain and use a service without authorization--(a)(4)(A)--and activity intended to capture a financial profit from the sale or distribution of the illicit obtaining or use of the service--(a)(4)(B).

Bill section 1: The bill section amends the definition of the crime of theft in the second degree--a class C felony--to add theft of subscription cable services under AS 11.46.200(a)(4)(B), the activity intended to capture a financial profit from the sale or distribution of the illicit obtaining or use of the service.

Bill section 2: The bill section amends the definition of the crime of theft in the third degree--a class A misdemeanor--to add theft of subscription cable services under

Representative Brian Carter
January 12, 1994
Page 2

AS 11.46.200(a)(4)(A), the illicit activity to obtain and use a service without authorization of the subscription cable service.

Bill section 4, proposing a new subsection to AS 11.46.200, sets out definitions of terms used in the earlier sections.

JBC:mi
94-001.lmai

FISCAL NOTE

STATE OF ALASKA
1994 LEGISLATIVE SESSION

BILL NO. HB 315

Revision Date: January 18, 1994
Title: "...unauthorized use...unauthorized interference with transmission...cable services..."
Sponsor: Representative Porter
Requestor: Representative Porter

Department Affected: Department of Law
BRU: Prosecution
Component: All
COMPONENT SERIAL NO. 0085 through 0090

EXPENDITURES/REVENUES:

OPERATING	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
PERSONAL						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND &						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

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

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

FUNDING:

1002 Federal						
1003 GF Match						
1004 GF						
1005 GF/Program						
1006 GF/MHTIA						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

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

Estimate of current year (FY94) impact: -0-

ANALYSIS: (Attach a separate page if necessary.)
Please see the attached analysis.

Prepared by: Richard I. Pegues, Director
Division: Administrative Services Division

Phone: 465-3672
Date: January 18, 1994

Approved by Commissioner: Bruce M. Botelhd, Attorney General

Agency: Department of Law Date: January 18, 1994

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FISCAL NOTE

STATE OF ALASKA
1994 LEGISLATIVE SESSION

BILL NO. HB 315

ANALYSIS CONTINUATION:

Some of this bill is already addressed by existing law, but this bill would also make it a theft offense to buy or possess a "black box" that receives or descrambles coded cable services, or to sell, or to manufacture such devices. It is hard to predict a fiscal impact, but there is likely to be little or none because the current level of cable theft cash is relatively small.



ALASKA CABLE TELEVISION ASSOCIATION

Received

January 6, 1994

RECEIVED

The Honorable Brian Porter
Alaska State Legislature
State Capitol Bldg.
Juneau, AK 99801-1182

Dear Representative Porter:

On behalf of the entire membership of the Alaska Cable Television Association ("ACTA"), I would like to thank you for your efforts in helping us prepare stronger "Theft of Service" legislation.

Theft of Service within the cable television industry has become annually, a \$4.7 billion dollar monster! As you know, Alaska is not immune from this problem. Cable television operators from throughout the state desperately seek stronger criminal and civil penalties for this high-tech thievery. We can no longer allow honest, paying subscribers to continue to subsidize these illegal activities.

It's important to note that there are many examples of unauthorized access to cable television services. The most common, of course, is the distribution of illegal converter boxes to descramble secured signals. Gary Haynes of Prime Cable has described these activities in great detail. But there are other security devices, such as decoding filters, which are also distributed illegally.

These devices, normally connected to the customer's service drop at the telephone pole or utility pedestal, either "decode" a scrambled signal, or prevent the reception of a channel or block of channels (a "negative" trap). Once tampered with, the outcome is the same with stolen services and lost revenue. Cable operators spend a considerable amount of time monitoring the theft of these filters. Generally, if the device is defeated, the integrity of the physical connection is weakened causing interference to other customer service drops, and contributes to signal leakage putting the cable system at serious risk with potential interference among the aeronautical frequencies. Stolen and/or illegal "decoding" devices are usually installed inside the home, making it virtually impossible to detect.

The ACTA stands by ready to provide you, your staff and the appropriate legislative committees with other examples of illegal equipment used to gain access to secured cable television signals. The ACTA strongly supports this legislation as we estimate that annual theft of cable television service in Alaska exceeds \$1,000,000 based on a conservative rate of 2.5% of service revenues. A more accurate definition of this type of service theft along with stiffer criminal penalties will create a deterrent to those considering the purchase of illegal equipment. Hopefully this would keep the rate of theft from growing and would also

Representative Brian Porter
- Page 2 -

follow through on the intent of the statute as originally created allowing for the aggressive pursuit of the distributors of such illegal burglary devices.

Please do not hesitate to call on us if we may provide you or staff with any additional information. The ACTA looks forward to working with you on the passage of this important piece of legislation.

Sincerely,

ALASKA CABLE TELEVISION ASSOCIATION



Michael W. Roberge
President

K. L. Loper
416-3334

cc: Eric Musser
Daniella Loper
Mary Hughes, Hughs, Thorsness, Gantz, Powell & Brunden
Gary Haynes, Prime Cable
Kent Dawson, Dawson & Associates

PRIME CABLE

December 9, 1993

Received

DEC 13 1993

ANCHORAGE, ALA

The Honorable Representative Brian Porter
3111 "C" Street
Anchorage, Alaska 99503

Dear Representative Porter:

I have had a chance to review the work draft of a Bill to clarify the criminal act of Theft of Cable Service as suggested by Jack Chenoweth, Legislative Counsel. As I understand it, this deals with the criminal provisions of this type of theft and there may be a separate bill for the civil provisions. Mr. Chenoweth did a good job of covering our main concern with the language of the changes, that being defining the illegality of owning or trafficking in this type of telecommunications burglary tool. Unless you have other thoughts, I believe that if we could get this Bill through the legislature this session that the civil provisions could be worked on at a later date or may be altogether unnecessary. Our main thrust here is to address the problem presented to us by local law enforcement agents of lack of proper possession provisions for these particular theft devices.

I would like to repeat some of the other reasons that Prime Cable as well as other cable operators around the state are concerned with this type of activity. The National Cable Television Association publishes statistics on pay unit penetration nationwide and has shown that premium service penetration has actually declined by 9.2% between 1989 and 1992. Historically, Alaska with its younger population has had a higher penetration of pay units than the national average, however our erosion during this same period for the Anchorage market has been 20%. This is over twice the national average and clearly indicates that there are other forces at work here. Using the national figure of 9.2% and factoring in our net subscriber growth due to new construction and natural penetration growth we calculate our loss of pay unit activity due to theft of service for 1993 to be 1211 units. If you consider that our net activity for this period is actually only 2350 pay units it becomes clear that we are suffering a loss of almost a third of our net growth.

You must keep in mind that these figures are based on single pay units. In fact, someone who has purchased an illegal descrambler or modified one of our converter boxes gets all premium and pay per view channels. The normal churn of services does not occur with these customers so their loss strictly using the pay unit figure is grossly understated. This

Representative Porter
December 9, 1993
Page -2-

loss is also exacerbated by the loss of special event revenue for boxing and other musical and sporting events. The true value of lost service due to the capabilities of these illegal devices has been documented as seven channels of premium service and 22 different titles of pay per view movies per week for a monthly loss of \$373.55. If you assume that someone who possesses one of these devices only uses 10% of its capability and you use the conservative figure of 1211 units in the marketplace this represents a \$500,000 loss for Anchorage alone.

We believe that this figure as high as it is may be understated for the following reasons. Our "Theft of Service Hotline" has received over 50 anonymous tips from disgruntled neighbors and acquaintances this past year alone. Of these complaints, six are for commercial operations that are selling these boxes for prices that range from \$175 to "fix" a Prime cable box to \$450 for boxes that are imported from out of state or are Prime Cable boxes obtained from our non-pay pool of disconnected subscribers who have never returned their box. The commercial ventures range from small electronic repair shops to taxi drivers to utility technicians trying to make a little money on the side. Services rendered range from simply selling the illegal descrambler and encouraging the customer to reduce their service to the lowest level possible to full service operations that will actually install an illegal drop from our cable plant to your home disguising the drop by entering the house low to the ground or tapping into a neighbor's drop. We also have reports of apartment managers who will work out a lease plan on the boxes.

As we have mentioned before, it would seem easy for us to catch and prosecute these offenders under simple theft of utility service laws. This is not the case with telecommunications that is delivered to the home in that we do not have an affective method of measuring services used. With level of criminal theft being tied to value of services stolen it is understandable that local law enforcement and prosecutors are reluctant to take these cases on. In the singular, they represent petty theft. In the aggregate they represent substantial losses not only to the cable company but also to every person in the distribution path of the programming stolen.

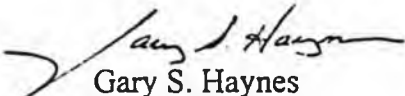
So this is where the damage is occurring. It starts with the Cable Company who loses revenue and does not have the funds available to invest in plant and system improvements. It damages the producers of programming and affects everyone in that circle from the satellite distributor, to the movie studio, to the producer and all the way to

Representative Porter
December 9, 1993
Page -3-

the guy who caters lunches on location. Locally, the ability of the cable system to offer pay per view events such as college hockey is threatened because the loss of revenue may not allow the proceeds from it to cover production cost. Most of all, we are concerned about the outrage of our legitimate customers who call us to report theft only to see that we have little power outside of threats to discontinue service to control this type of theft.

Strengthening of the law to include penalties for this type of device is imperative. The only use of them is to steal service. No cable company in the country would sanction their use because they are all designed to ignore all security measures for access control transmitted by the cable company. The telecommunications industry will not be able to grow and offer expanded service if it can not effectively control access to its product. Prime Cable appreciates the attention you have given us on this topic and hopes that you will be able to introduce this Bill in the upcoming session. Please call me at 786-9326 if you have any further questions.

Sincerely,



Gary S. Haynes
V.P. of Operations

GSH:jb

Federal Prosecutions - A Thing of the Past?

According to a recent article published in The Connecticut Law Tribune, federal criminal prosecutions in the District of Connecticut fell 23 percent from 1985 to 1988, and civil cases handled by the local U.S. Attorney's Office fell 32 percent during that same period. The decline in federal prosecutions in Connecticut was directly attributable to the "all-out battle" to prosecute 16 defendants in connection with the 1983 Connecticut Wells Fargo robbery. Nationally, according to the article, federal criminal prosecutions declined approximately 4 percent and related civil filings declined about 7 percent during the 1983-1986 period. Federal prosecutorial resources in Connecticut, and presumably elsewhere, are concentrated on drug cases, white-collar crime (particularly public official corruption cases), and organized crime, with an overall emphasis on asset forfeiture cases.

Emphasis on certain matters, such as the Wells Fargo case, by the Department of Justice clearly impacts on the amount of federal law enforcement and prosecutorial resources available to undertake criminal action against descrambler distributors, even though such distribution is patently violative of 47 U.S.C. sec. 553 and sec. 605, as well as mail and wire fraud statutes. Because of DOJ's current allocation of resources, the willingness of federal prosecutors, with some exceptions, to institute criminal prosecutions against descrambler distributors is undoubtedly being tested, notwithstanding the assistance of the cable industry, particularly from the NCTA's Office of Cable Signal Theft, and state association groups like the Connecticut Cable TV Association's Theft of Service Committee. Industry assistance to federal prosecutors has comprehensively been

(continued top of next column)

Signal Security Ideas Competition Deadline extended to March 15

in the form of investigative, technical and legal support to enforcement efforts. Theft of service action may turn, therefore, to state prosecutions where jurisdictionally possible. Otherwise, the civil action provisions of 47 U.S.C. sec. 553 and sec. 605 may become the enforcement tool of choice - by necessity.

Submitted by Burt Cohen, Esq.,
The law firm of Byrne, Slater, Sandler,
Shulman & Rouse, P.C.,
###

Warner Cable Hosts Signal Theft Seminar

Warner Cable Communications of Cincinnati, OH has conducted its first seminar as a step to unify the issue of combatting signal theft. Warner hosted other Cincinnati operators, program suppliers, prosecutors from area counties and state and local law enforcement officials to be addressed on the problem of signal theft.

Jim Allen, of NCTA's OCST, addressed the group in his keynote speech which gave a global look at the cable theft issue.

Virgil Reed, President and General Manager of Warner noted that "This seminar is an important milestone in the local cable industry as it will mark the first time that a concerted effort has been undertaken to coordinate the anti-cable theft effort."

Warner Cable of Cincinnati has had over thirty theft of service cases successfully prosecuted within the past four years.

###

People News...

Roger Williams was named president of The Travel Channel soon after its purchase by Landmark Communications' Broadcast and Video Enterprises Division in March of this year. He had been a senior vice president, affiliate sales and consumer marketing, for ESPN.

While with ESPN, Mr. Williams stepped up the network's protection of its programming through extensive work in theft of service prosecutions. Mr. Williams serves as the vice-chairman of the Coalition Opposing Signal Theft Committee, an advisory body to the Office of Cable Signal Theft.

also...

Michael L. Ward was promoted to vice president and counsel for Showtime Networks Inc. from counsel, SNI. Mr. Ward serves as a member of the Coalition Opposing Signal Theft Committee.

HBO Settles Suit With New Jersey Bar

Home Box Office Inc. concluded another case against a bar for the unauthorized distribution of the premium service. Poor Billy's Sports Cafe of Woodbridge, New Jersey has agreed to pay HBO \$7500 in damages and to adhere to a federal court injunction prohibiting any further exhibitions of HBO programming.

HBO is conducting a nationwide campaign to enforce the programming rights of its product. John Redpath, senior vice president and general counsel for HBO, commented on the settlement, "This action and subsequent settlement clearly shows that protecting the HBO signal and programming from unauthorized reception remains a top priority with our company. We are serious about continuing to locate and prosecute establishments that misappropriate our product."

Cable Pirate Receives 16 Year Sentence

In Norfolk Circuit Court, Norfolk, Virginia, defendant Christopher Deering pleaded guilty to three felony charges and one misdemeanor charge under the recently amended Virginia State Theft of Cable Television criminal statute 18.2 - 165.1.

The Honorable Judge John Morrison sentenced Deering to 16 years in prison: five years for each felony count and one year for the misdemeanor charge. Additionally, Morrison ordered the defendant to pay Cox Cable \$885 in restitution. Per the plea agreement, Deering will serve one year in jail and then be placed on five years supervised probation.

The charges and subsequent conviction resulted from a three-month investigation by Cox Cable's Field Audit Department. The department discovered that Deering, posing as a cable TV installer, was breaking into the cable television distribution system and connecting cable service for residents in the Tidewater Gardens section of Norfolk. Deering was charging residents \$10 - \$25 for each illegal connection. The connections have since been disconnected by Cox Cable. Cox received information about Deering from his customers.

Cable operators in Virginia lobbied for the upgrade of the state statute which went into effect on July 1, last year, making it a class 6 felony violation to perform unauthorized cable TV connections to residents for personal or financial gain.

UNAUTHORIZED RECEPTION OF CABLE SERVICE
U.S. Code, Title 47, Section 553
As Amended By The Cable Television Consumer
Protection and Competition Act of 1992

Sec. 553 (a)(1) No person shall intercept or receive or assist in intercepting or receiving any communications service offered over a cable system, unless specifically authorized to do so by a cable operator or as may otherwise be specifically authorized by law.

(2) For the purpose of this section, the term 'assist in intercepting or receiving' shall include the manufacture or distribution of equipment intended by the manufacturer or distributor (as the case may be) for unauthorized reception of any communications service offered over a cable system in violation of subparagraph (1).

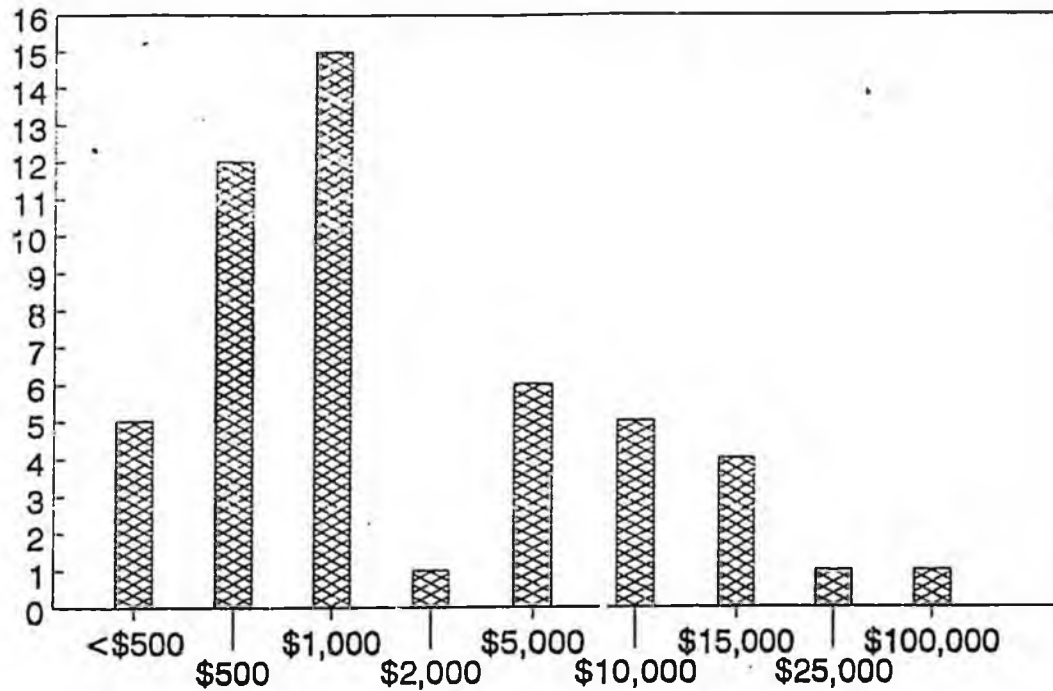
(b)(1) Any person who willfully violates subsection (a)(1) shall be fined not more than \$1,000 or imprisoned for not more than 6 months, or both.

(2) Any person who violates subsection (a)(1) willfully and for purposes of commercial or private financial gain shall be fined not more than [~~\$25,000~~] \$50,000 or imprisoned for not more than [1 year] 2 years, or both for the first such offense and shall be fined not more than [~~\$50,000~~] \$100,000 or imprisoned not more than [2] 5 years, or both, for any subsequent offense.

(3) For purpose of all penalties and remedies established for violations of subsection (a)(1), the prohibited activity established herein as it applies to each such device shall be deemed a separate violation.

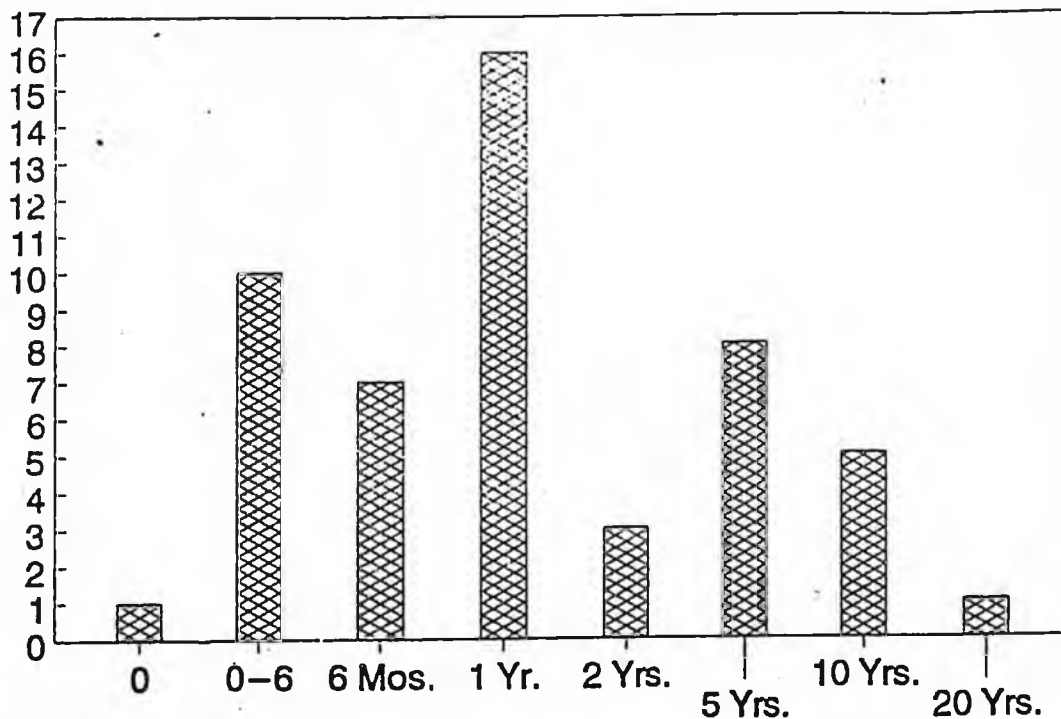
NOTE: Brackets "[]" signify language deleted under the new law, underscored language signifies additions as of December 4, 1992.

FINES



< \$500	5 Colorado, Indiana, New Mexico, Vermont & Delaware
\$500	12 Arizona, Arkansas, Louisiana, Maine, Maryland Michigan, Montana, New Jersey, North Carolina North Dakota, Rhode Island & West Virginia
\$1,000	15 Alabama, California, Florida, Georgia, Idaho Mississippi, Nebraska, New Hampshire, New York Oklahoma, South Carolina, South Dakota, Tennessee Virginia & Nevada
\$2,000	1 Texas
\$5,000	6 Alaska, Hawaii, Minnesota, Missouri, Ohio & Washington
\$10,000	5 Connecticut, Iowa, Kansas, Kentucky & Utah
\$15,000	4 Massachusetts, Pennsylvania, Wisconsin & Wyoming
\$25,000	1 Washington, D.C.
\$100,000	1 Oregon
Punitive	1 Illinois

JAIL TERMS



- | | |
|----------|--|
| 0 | 1 Vermont |
| 0-6 Mos. | 10 Indiana, Arizona, Arkansas, California, Colorado
Louisiana, New Jersey, New Mexico, North Carolina & North Dakota |
| 6 Mos. | 7 Alabama, Washington D.C., Maryland, Montana
Nebraska, Nevada & Oklahoma |
| 1 Yr. | 16 Alaska, Florida, Georgia, Idaho, Illinois, Maine, Michigan
New Hampshire, New York, Rhode Island, South Carolina, South Dakota
Tennessee, Texas, Washington & West Virginia |
| 2 Yrs. | 3 Kansas, Massachusetts, Minnesota |
| 5 Yrs. | 8 Delaware, Hawaii, Kentucky, Mississippi, Missouri
Pennsylvania, Virginia & Wisconsin |
| 10 Yrs. | 5 Iowa, Ohio, Oregon, Utah & Wyoming |
| 20 Yrs. | 1 Connecticut |

PRIME CABLE

March 8, 1993

The Honorable Representative Brian Porter
State Capitol, Room 122
Juneau, Alaska 99801-1182

RE: Alaska Theft of Service Statutes

Dear Representative Porter:

Prime Cable of Alaska would like to bring to your attention a problem that is plaguing cable operators in this state as well as nationally "Theft of Cable Service". Especially hard hit are those systems like Anchorage that employ addressable technology for signal security. This problem promises to escalate in that new federal rules may require most cable systems to provide addressable technology to all subscribers in the near future to allow universal access to all programming tiers and pay-per-view services.

The problem presents itself in Alaska as imported or locally modified decoder boxes. Unfortunately in Alaska, state statute does not have the same "possession and sales/distribution" prohibition found in the federal statute. State law only prohibits the use of such devices to circumvent the cable companies securities measures. Please consider the following scenario:

An ex-employee who is familiar with our system, customer base and security practices imports descramblers from out of state at a cost of approximately \$150.00 each and re-sales these to our current subscribers at \$395.00 each. He persuades the subscriber to down grade service to the lowest possible package of broadcast basic but the subscriber actually gets not only all available expanded basic and premium channels but also an average of 22 titles per week of pay-per-view movies. The ex-employee sells 30 converter boxes for a tax free net profit to himself of \$7,350.00 and the cable company loses approximately \$872.00 a month in lost revenue without regard to the loss from the 22 titles of pay-per-view movies. Frustrated legal subscribers hear of this activity and contact the local cable company upset because they honestly pay for the service and have heard of others getting it virtually for free. Naturally the cable company contacts federal authorities to see what they can do about the situation.

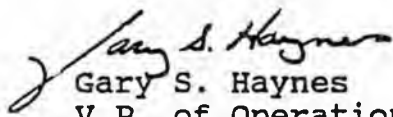
Representative Porter
March 8, 1993
Page -2-

Federal law prohibits this type of activity but, as you can see from the enclosed correspondence we received from the local FBI office, we would have to wait for this person to sell over 100 boxes before we could get any federal assistance. The next stop is the local Municipal police and District Attorney who are very cooperative but inform us that even if we are able to get a search warrant and find many of these boxes in the residence of the ex-employee ready for delivery, we cannot prosecute for possession or confiscate the equipment but could only prosecute him if we physically saw him using one of the boxes. You can now see what the problem is. The state statute must match federal "possession and re-sale" language before it can be used to stop local distribution of these types of illegal descramblers or decoders.

Unfortunately, not only is the above scenario true in Anchorage, but there are several rings comprised of ex-employees, after hours establishments, drug dealers and even some unscrupulous small businessmen. This situation has been corrected in many other states such as Virginia and California by ensuring that the local laws closely match the possession language and penalties of the federal law.

Our attorney has reviewed the state statute and offers the attached additions to A.S. 11.46 that are specific to theft of cable service and will not only give the cable companies protection from this type of illegal activity but also will give local authorities the means to stop it. The Alaska Peace Officers Association suggested that we contact you to ask if you would be willing to introduce this before the Alaska House of Representatives. If this were to occur, they would consider it for endorsement. Please feel free to contact me at your convenience if you are interested and wish to discuss this further. I may be contacted in Anchorage at 786-9326. Prime Cable wishes to thank you in advance for your consideration.

Sincerely,


Gary S. Haynes
V.P. of Operations

GSH:jb

cc: Kent Dawson

Attachments: 1. Proposed Addition to A.S. 46
2. U.S. Department of Justice Letter to Prime
3. Fact Sheet from National Cable Television Assoc.

ROGERS

Rogers CableSystems of
Alaska, Inc.
P.O. Box 873107
Wasilla, Alaska
99687-3107

Tel: (907) 373-2288
Fax: (907) 376-8888

January 20, 1994

Representative Brian Porter
House of Representatives
State Capitol
Room 122
Juneau, Ak. 99801-1182

Dear Mr. Porter:

I am taking this opportunity to extend Rogers CableSystems support of House Bill 315.

I commend you and Mr. Larson on your effort to clarify and amend the law in regards to Theft Of Subscription Cable Service. Theft of cable service has become a much too common problem. In our industry's effort to combat this problem, it has become a large expense in the operation of a cable company through the development and installation of security procedures such as scrambling devices and placement of set top converters. Cable theft has not only made it more expensive for our customers, it has greatly detracted from our ability to make cable service more compatible with our customer's home video equipment.

It is through the passage of legislation such as House Bill 315 and the efforts of officials such as yourself, that will send a clear message to the public that theft of cable service is a crime and that it will not be tolerated. It will also provide us, along with the cooperation of local law enforcement, the ability to successfully prosecute those individuals who would persist in engaging in this criminal behavior.

I thank you for your efforts and extend an open invitation to call on me to assist in any way I can. Please feel free to contact me at 373-5026.

Sincerely,


Kevin Sheridan
General Manager

JAN 20 04 10:41 AM '94 JUNE 40/ALASKA

ALASKAN CABLE NETWORK INC

Representative Brian Porter
State Capital
Juneau, AK 99801-1182

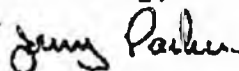
January 20, 1994

Dear Representative Porter;

As the District Manager of the second largest Cable operator in Alaska, please let it be known that I, on behalf of Alaskan Cable Network, fully support your House Bill No 315, concerning the sections that provide for criminal action being taken against a person or persons stealing subscription cable service.

If I can be of further assistance, please let me know.

Sincerely,



Jerry Parker
District Manager



**Sonic Cable Television
of Alaska, Inc.**

201 E. 56th Avenue, Ste. 100, Anchorage, AK 99518

(907) 562-2400

2/27/89

Mary Hughes
Hughes, Thorness, Gantz, Powell and Brunden
509 W. Third Ave
Anchorage, Ak. 99501

Re: Theft of Service

Dear Mary:

In the past few weeks, we have received an alarming number of reports of theft of service from various sources. I have at least four names of people who have modified our subscriber's converter boxes or are selling stolen and modified converter boxes to people in the Anchorage area.

I contacted APD dispatch and presented the list of suspects to an Officer Caswell. He contacted his Sargeant and also spoke with the District Attorneys office and we were able to determine that the only laws applicable are receipt/possession of stolen merchandise or theft of service.

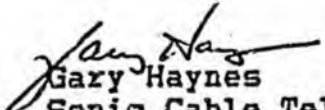
Theft of service must be proved on an individual basis and it will be very difficult to detect. What we need to do is go after the guy who is taking boxes that we list as stolen and modifying them to pick up our service. Unfortunately, because of the constant changes in our stolen database (the stolen file currently holds 4,999 serial numbers, and is considered a "missing" rather than "stolen" database) the police department thinks that it will be an unusually burdensome task to try to constantly update and correct this file.

This leaves us with a receipt of stolen property law that can not be used because our boxes are not reported to them as stolen, but only listed in our database as such. We do have a theft of service law that is being broken, but it would be very hard to track down everyone that has purchased a modified box. What we need is a law that makes modification of our converter boxes by anyone for the express purpose of theft of service a crime.

There is a federal law that states closely what we want in the state statute. I have attached it for your review. Could you please review it and modify it where necessary in order to introduce it as a bill in Juneau? We will also need assistance in finding the right legislators to introduce and back it.

If we are successful in getting the bill passed, then we can launch a media campaign explaining the new law and be able to persue prosecution of the seller as well as the end user. If you have any questions on the mechanics of the problem feel free to call me. If you have suggestions on possible sponsors, it may be more appropriate to contact Marty with them. Thanks for your help.

Sincerely,


Gary Haynes
Sonic Cable Television

Attach: Copy Section 633/Cable Communications Act of 1984

cc: Marty Robinson

H B

3 1 6

FISCAL NOTE

STATE OF ALASKA
1994 LEGISLATIVE SESSION

BILL NO. HB 316

Revision Date: January 18, 1994
Title: "An Act adopting the Uniform Statutory Rule Against Perpetuities..."
Sponsor: Representative Moses
Requestor: Representative Moses

Department Affected: Department of Law
BRU: Legal Services
Component: Operations
COMPONENT SERIAL NO. 0093

EXPENDITURES/REVENUES:

OPERATING	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
PERSONAL						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND &						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

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

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

FUNDING:

1002 Federal						
1003 GF Match						
1004 GF						
1005 GF/Program						
1006 GF/MHTIA						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

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

Estimate of current year (FY94) impact: -0-

ANALYSIS: (Attach a separate page if necessary.)
Please see the attached analysis.

Prepared by: Richard I. Peques, Director Phone: 465-3672
Division: Administrative Services Division Date: January 18, 1994
Approved by Commissioner: Bruce M. Botelho, Attorney General
Agency: Department of Law Date: January 18, 1994

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For further information, contact the Legislative Office

FISCAL NOTE

STATE OF ALASKA
1994 LEGISLATIVE SESSION

BILL NO. HB 316

ANALYSIS CONTINUATION:

This bill adopts a uniform rule against perpetuities in accordance with a model act proposed by the National Conference of Commissioners on Uniform State Laws (NCCUSL). This bill deals with estate laws governing private parties and will not have a fiscal impact on the Department of Law.

STATE OF ALASKA

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

WALTER J. HICKEL, GOVERNOR

REPLY TO:

- 1031 W 4th AVENUE SUITE 200
ANCHORAGE, ALASKA 99501-1994
PHONE: (907) 276-3550
FAX: (907) 276-3697
- KEY BANK BUILDING
100 CUSHMAN ST. SUITE 400
FAIRBANKS, ALASKA 99701-4679
PHONE: (907) 452-1568
FAX: (907) 456-1317
- P.O. BOX ~~110300~~ 110300 — STATE CAPITOL
JUNEAU, ALASKA 99811-0300
PHONE: (907) 465-3600
FAX: (907) 465-5285 465-6735

February 11, 1994

Hon. Carl Moses, Chair
House Rules Committee
Alaska House of Representatives
Room 204, State Capitol
Juneau, AK 99801-1182

Dear Representative Moses:

At the request of your legislative aide, we have reviewed HB 316, an Act adopting the Uniform Statutory Rule Against Perpetuities. We find no legal or constitutional difficulties with the bill.

We believe that the bill makes important improvements in Alaska law for conformity with other states that have adopted the Uniform Act.

If you need further information, please let me know.

Sincerely,

BRUCE M. BOTELHO
ATTORNEY GENERAL

By: *Deborah E. Behr*
Deborah E. Behr
Assistant Attorney General

DEB:cl

DIVISION OF LEGAL SERVICES

**LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA**

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

130 Seward Street, Suite 409
Juneau, Alaska 99801-2105

MEMORANDUM

January 25, 1994

SUBJECT: Sectional summary of HB 316 (Work Order No. 8-LS1213\A)

TO: Representative Carl Moses
Attn: Tim

FROM: *TLB*
Theresa L. Bannister
Legislative Counsel

You have requested a sectional summary of the above described bill.

As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents.

Section 1. Contains the Uniform Statutory Rule Against Perpetuities.

Sec. 34.27.050(a) states that a nonvested property interest is invalid unless it satisfies either of two tests dealing with when the interest vests or terminates.

Sec. 34.27.050(b) states that a general power of appointment that is not presently exercisable is invalid unless the condition precedent to the power of appointment satisfies either of the two listed criteria.

Sec. 34.27.050(c) declares that a nongeneral power of appointment or a general testamentary power of appointment is invalid unless the power of appointment satisfies either of the two listed criteria.

Sec. 34.27.050(d) states that a particular possibility will not be considered when determining the validity of a nonvested property interest or a power of appointment under (a)(1), (b)(1), or (c)(1).

Sec. 34.17.050(e) states that, when measuring time from the creation of a trust or other property arrangement, certain language in a governing instrument is not operative to the extent specified in the subsection.

Sec. 34.27.055(a) states that, except for (b) - (c), general principles of property law determine when a nonvested property interest or a power of appointment is created.

Sec. 34.27.055(b) - (c) establish two exceptions to (a) with regard to when a nonvested property interest or a power of appointment is considered to be created.

Sec. 34.27.060 requires a court under certain conditions to reform certain property dispositions in a manner that most closely approximates the transferor's plan of distribution and that is within the 90 year allowed by sec. 34.27.050(a)(2), (b)(2), or (c)(2).

Sec. 34.27.065 identifies certain transactions that are not covered by the rule stated in sec. 34.27.050.

Sec. 34.27.070(a) states that the new provisions apply prospectively to nonvested property interests or powers of appointment created after the effective date of the Act.

Sec. 34.27.070(b) authorizes a court under certain conditions to reform certain nonvested property interests or powers of appointment created before 1996 in the manner that most closely approximates the transferor's manifested plan of distribution and that is within the limits of the rule against perpetuities applicable when the interest or power was created.

Sec. 34.27.075 states that the new statutory provisions supersede the common law rule against perpetuities.

Sec. 34.27.090 gives the new provisions a short title. Directs that the provisions be applied and construed to achieve uniformity on the subject among the states.

Section 2. Repeals the present statute on this subject.

Section 3. Makes the Act effective January 1, 1996.

If I may be of further assistance, please advise.

TLB:mi
94-015.mai

DILLON & FINDLEY

A PROFESSIONAL CORPORATION

JUNEAU

Dennis C. Bailey
 Caroline Crenna
 Paul L. Dillon
 Thomas W. Findley
 Richard D. Monkman
 Arthur H. Peterson
 Peter K. Putzier

350 N. Franklin Street
 Juneau, Alaska 99801
 Telephone (907) 586-4000
 Facsimile (907) 586-3777

ANCHORAGE

Ray R. Brown
 Mauri Long

1029 W. Third Ave., Suite 220
 Anchorage, Alaska 99501
 Telephone (907) 277-5400
 Facsimile (907) 277-9896

February 10, 1994

Hon. Brian Porter, Chair
 House Judiciary Committee
 Alaska State Legislature
 Room 118, State Capitol
 Juneau, Alaska 99801-1182

HAND-DELIVERED

Re: HB 316, Uniform Statutory Rule Against Perpetuities

Dear Representative Porter:

I understand that your committee will be hearing HB 316 February 14, 1994, and I wish to express my support for the bill. It addresses a complicated area of the law that potentially affects everybody.

The bill faithfully adheres to the official version of the Uniform Statutory Rule Against Perpetuities promulgated by the National Conference of Commissioners on Uniform State Laws (NCCUSL) in 1986, and amended (by adding subsec. (e) of proposed AS 34.27.050) and made a part of the Uniform Probate Code by the NCCUSL in 1990. It has already been enacted in 20 states.

This bill is virtually identical to the Seventeenth Legislature's CSHB 334(Jud), which passed the House 35 to 0 (with five absent) May 1, 1992. The original HB 334 was introduced by the governor, and I am attaching a copy of his transmittal letter for it (1991 House Journal, pages 1478 -- 1480). That letter nicely explains the common law rule against perpetuities, Alaska's current statutory modification of it in AS 34.27.010, and the improvements made by this Uniform Rule.

The basic purposes of this Uniform Rule are

- (1) to simplify the common law rule,
- (2) to eliminate its harshness,
- (3) to help assure that the intent of the person creating the future interest is actually implemented, and
- (4) to help assure that the beneficiaries of that intent receive their proper shares without litigation and great expense.

The Alaska Chapter of the American Association of Retired Persons supports the bill. Please see the attached November 27, 1991 letter from AARP's Legislative Committee Chair Keith Campbell to me. Also see the attached April 22, 1992 letter from prominent Juneau Attorney Doug Gregg to former House Judiciary Committee

Representative Brian Porter
HB 316, Perpetuities
February 10, 1994

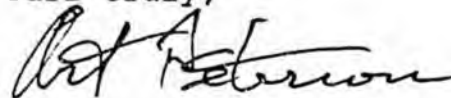
Page 2

Chair Dave Donley, supporting the bill.

Also attached is a brief article written specifically for Alaska by Professor Lawrence W. Waggoner, of the University of Michigan Law School and one of the nation's leading experts in this field. He relates the new Uniform Rule to Alaska's statute and case law.

Please let me know if you would like to have additional information on this measure. I urge a "Do Pass" recommendation. Thank you.

Yours truly,



Arthur H. Peterson
Uniform Law Commissioner
for Alaska

Enclosures (4)

cc w/o encs.: Representative Carl Moses

HB 334

HOUSE BILL NO. 334 by the Rules Committee by request of the Governor, entitled:

"An Act adopting the Uniform Statutory Rule Against Perpetuities; and providing for an effective date."

was read the first time and referred to the Judiciary Committee.

The following was published May 16, 1991:

Zero fiscal note, Department of Law

The Governor's transmittal letter, dated May 16, 1991, appears below:

"Dear Speaker Grussendorf:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill to adopt the Uniform Statutory Rule Against Perpetuities, promulgated by the National Conference of Commissioners on Uniform State Laws (NCCUSL).

The NCCUSL has promulgated this statutory rule as both a freestanding Act and as part of the Uniform Probate Code (UPC). Since Alaska has enacted the UPC, it behooves us to keep abreast of the national standard -- especially since this new formulation of the rule is better than both the old common law rule and our own statutory modification of it, AS 34.27.010. Moreover, the Alaska Supreme Court has expressed its approval of the "wait and see" approach, a more modern and simpler version of which is proposed in this bill. See Hansen v. Stroecker, 699 P.2d 871 (Alaska 1985).

In its January 23, 1991 publication of the statutory rule, the NCCUSL's Prefatory Note explains the common law rule, its problems, and the improvements made by this statutory rule. A well-known statement of the common law rule sets it out as follows:

No [nonvested property] interest is good unless it must vest, if at all, not later than 21 years after some life in being at the creation of the interest. }

In other words, under the common law rule, a nonvested property interest is determined either valid or invalid as of the time of its creation. The actual time of vesting is immaterial. The hypothetical possibility of an interest not vesting, considered at the time of the creation of the interest, determines the validity of the interest. The NCCUSL's official publication of the Act, with commentary, gives numerous illustrations.

HB 334

Like most rules of property law, the common law rule against perpetuities has two sides -- a validating side and an invalidating side. With the two sides stated separately, the rule is as follows:

Validating side. A nonvested property interest is valid when it is created (initially valid) if it is then certain to vest or terminate (fail to vest) -- one or the other -- no later than 21 years after the death of an individual then alive.

Invalidating side. A nonvested property interest is invalid when it is created (initially invalid) if there is no such certainty.

Since actual post-interest-creation events are immaterial at common law, even those that are known at the time of the lawsuit in which various parties' rights are being disputed, interests that are likely (and in fact would, if given the chance) to vest well within the period of a life in being plus 21 years are nevertheless invalid if at the time of the interest's creation there was a possibility, no matter how remote, that they might not have done so. This makes the invalidating side of the common law rule harsh: the possibility of events that rarely, if ever, happen can invalidate an interest (and the intent of the donor).

The statutory rule, including Alaska's 1983 version (AS 34.27.010), alters the common law rule by establishing a "wait and see" element. Briefly, Alaska's current approach alleviates the harsh aspects of the common law rule by stressing actual rather than possible events.

However, our causal-relationship method of determining the measuring lives has been shown to be ambiguous and uncertain in application. It is difficult to understand. The NCCUSL's statutory rule in the attached bill alleviates the harshness of the common law rule by allowing an otherwise invalid nonvested property interest a maximum period of time to vest. The Uniform Rule adopts a flat period of 90 years for marking off the maximum period for vesting. This approach grants a nonvested interest a period of time during which it can validly vest or terminate. It also avoids the confusion and ambiguity of identifying actual measuring lives and it avoids the administrative costs of tracing those persons to see when the survivor dies. And it eliminates potentially wasteful litigation.

This new rule has been approved by the House of Delegates of the American Bar Association, the Board of Regents of the American College of Probate Counsel, the Board of Governors of the American College of Real Estate Lawyers, and the Joint Editorial Board for the Uniform Probate Code. By August 1989, this Uniform Statutory Rule Against Perpetuities had already been enacted in nine states. Upon request, the Department of Law will be pleased to furnish the legislature with informative material (one item specifically analyzing Alaska law) written by Professor

HB 334

Lawrence W. Waggoner, of the University of Michigan Law School, and provided by the NCCUSL, along with the NCCUSL's official publication of the Act and its commentary.

I believe that this bill will make a significant improvement in Alaska perpetuities law. It will alleviate the harshness of the common law rule and provide a much more workable and less costly rule than our current AS 34.27.010. The statutory rule embodied in this bill is strongly recommended and supported by national organizations most concerned with and knowledgeable about this area of the law.

The multi-state nature of most family and other relationships in American life urges uniform treatment of these inheritance issues. I urge your favorable consideration of this bill.

Sincerely,

/s/

Walter J. Hickel
Governor"

HB 335

HOUSE BILL NO. 335 by the Rules Committee by request of the Governor, entitled:

"An Act relating to grants to municipalities, named recipients, and unincorporated communities; and providing for an effective date."

was read the first time and referred to the Community & Regional Affairs, State Affairs and Judiciary Committees.

The following was published May 16, 1991:

Zero fiscal note, Department of Administration

"Dear Speaker Grussendorf:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to regulation of grants to municipalities, named recipients, and unincorporated communities.

This bill proposes to repeal and reenact AS 37.05.318, to allow the Department of Administration to adopt regulations governing grants to municipalities under AS 37.05.315, the Department of Community and Regional Affairs to adopt regulations for grants to unincorporated communities under AS 37.05.317, and other departments to adopt regulations for administering grants to named recipients under AS 37.05.316. Currently, AS 37.05.318 prohibits a state agency from adopting regulations or imposing additional requirements or



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ALASKA STATE LEGISLATIVE COMMITTEE

CHAIRMAN
Mr. C. Keith Campbell
P.O. Box 722
Seward, AK 99664
(907) 224-5631

VICE CHAIRMAN
Mrs. Mary Lou Meiners
805 Gold Bell
Juneau, AK 99801
(907) 586-2568

SECRETARY
Miss Ann L. Walsh
924 Kellum #201
Fairbanks, AK 99701
(907) 456-6737

COORDINATOR
Capital City, Laska House
Mr. Jon Allen
Box 20301
Juneau, AK 99907
(907) 586-6680

November 27, 1991

Mr. Art Peterson
P.O. Box 20444
Juneau, Alaska 99802

Dear Mr Peterson


The State Legislative Committee of AARP wishes to inform you that we support HB 334 in its present form.

The Association advocates that states "Adopt the Uniform Probate Code and other probate procedures that simplify, expedite, and reduce the costs of settling an estate, including probating wills, appointment of personal representatives, administrating estates, small estate procedures and fees."

The support of AARP would need to be reevaluated should substantial changes be made in the legislative process. We will have a member of our organization monitor the progress of HB 334.

Thank you for bringing this piece of legislation to our attention.

Sincerely


Mr. C. Keith Campbell Chmn.

DOUGLAS L. GREGG, Esq.

A PROFESSIONAL CORPORATION

ATTORNEY-AT-LAW

107 MUNICIPAL WAY, SUITE 2

JUNEAU, ALASKA 99801

DILLON & FINDLEY

APR 22 1992

RECEIVED

April 22, 1992

The Honorable Dave Donley
Chairman, House Judiciary Committee
P.O. Box V
Juneau, Alaska 99811

Re: House Bill 334;
Rule Against Perpetuities

Dear Mr. Donley:

The proposed Uniform Statutory Rule Against Perpetuities is, I understand, in your committee and may be coming up for consideration shortly. I am writing in support of the legislation. I think it would be fine if it were made part of the Uniform Probate Code (Title 13) but it could stand as a separate act, also.

There is common law rule against perpetuities as well as various state enactments including the Alaska statute on that subject and now this proposed legislation. All of these rules have one thing in common: They keep property from being held "in limbo" indefinitely. The ability to reach out "from the cold hand of the grave" and control property for excessive periods of time is very bad public policy and I think we all support the idea that sooner or later property has to vest in some person or entity.

The reason that we don't like some of the existing rules that attempt to remedy the problem is that they are subject to varying interpretations. Typically, the IRS will challenge someone's estate plan on the basis that it is "possible" that the property will not vest soon enough under the rule. The result can be the levying of a huge Federal estate tax. Some of the legislation already on the books around the country helps alleviate the problem of dealing with perpetuities but problems persist.

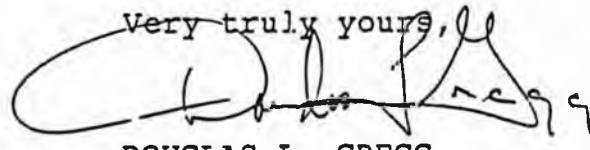
The Honorable Dave Donley
Page 2
April 22, 1992

Bar examinations for hapless would-be attorneys may still include complicated questions involving the rule against perpetuities. Maybe HB 334 will even discourage such vicious practices in the preparation of bar examinations! Everyone who ever studied law remembers it as a difficult subject.

Any legislation that lays easy to follow ground rules for deciding whether the rule has been violated in a given document will be a blessing.

The proposed legislation makes it much easier to analyze any particular fact situation thereby resulting in fewer contests, court cases, and heartbreaks.

Thank you for allowing me to comment on this legislation.

Very truly yours,

DOUGLAS L. GREGG

DLG:wmg
Hand Delivery

THE UNIFORM STATUTORY RULE AGAINST PERPETUITIES:
AN OPPORTUNITY FOR IMPROVING ALASKA PERPETUITY LAW

Lawrence W. Waggoner
1989

Noted for its harsh consequences, the common-law Rule Against Perpetuities (common-law Rule) provides that a contingent future interest is invalid if it is not certain to vest within a life in being plus 21 years.

In 1983, Alaska joined a growing number of states that modified the common-law Rule by adopting the wait-and-see approach. Briefly, wait-and-see alleviates the harsh aspects of the common-law Rule by allowing an otherwise invalid nonvested property interest a maximum period of time to vest.

Under the common-law Rule, the actual time of vesting is immaterial; the only thing that counts under the common-law Rule is what possibly might happen. The common-law Rule invalidates a nonvested property interest if, at the time the interest is created, there is any possibility -- no matter how remote -- that the interest might not vest (or terminate) within the period of a life in being plus 21 years. Under wait-and-see, such an interest is not invalidated on that basis alone, but is given a second chance: The interest becomes invalid only if it actually fails to vest (or terminate) within a given period of time, also measured by a life in being plus 21 years; this given period of time is called the maximum allowable vesting period.

The Alaska statute (copy attached) was a second-generation wait-and-see statute, having been copied from a 1960 Kentucky statute. This type of statute was preceded by a statute in Pennsylvania in 1948 that adopted wait-and-see. The Pennsylvania statute -- the first-generation wait-and-see statute -- was heavily criticized on the ground that it did not identify the people who were to be used as the measuring lives to mark off the maximum allowable vesting period. The Kentucky-type statute, later enacted in Alaska and a small number of other states, was drafted in response to the criticism of the Pennsylvania statute. The Alaska statute expressly restricts the measuring lives to those having "a causal relationship to the vesting or failure of the interest."

After the Alaska statute was enacted, much further thought and refinement have gone into the wait-and-see idea. On further reflection, the causal-relationship method of determining the measuring lives has been shown to be ambiguous and uncertain in application. The Drafting Committee of the Uniform Act considered the causal-relationship approach, but rejected it

because it was too hard to understand. During the course of the Committee's deliberations, one of the Advisors to the Committee, a nationally prominent estate-planning attorney, was asked whether he thought he could apply that causal-relationship approach to an actual case. His reply was swift and telling: "Heavens no," he said.

. . .

The Uniform Act takes a different tack in marking off the maximum period for vesting -- it adopts a flat period of 90 years. The rationale for the 90-year period is as follows.

The first step in the analysis is to recognize that wait-and-see operates, in effect, as a perpetuity saving clause. A perpetuity saving clause is a privately established version of wait-and-see, for such a clause also grants a nonvested property interest a period of time during which it can validly vest (or terminate). The period of time typically granted by a perpetuity saving clause is measured by the lifetime of the last surviving member of a group comprised of the grantor's descendants living when the nonvested property interest was created, plus 21 years. (In most cases, it may also be noted that the grantor's descendants living when the nonvested property interest was created would be among the "causal-relationship" measuring lives under the Alaska statute.)

The second step in the analysis is to note that the youngest member of the group of the grantor's descendants typically is the one to live the longest. The Drafting Committee then set out to determine the average age of that youngest descendant. Using four hypothetical families deemed to be representative of actual families, the Committee determined that, on average, the transferor's youngest descendant in being at the transferor's death -- assuming the transferor's death to occur between ages 60 and 90, which is when 73 percent of the population die -- is about 6 years old.

The third step in the analysis was to determine the average remaining life expectancy of a 6-year-old, and then to add in the traditional 21-year period. Government statistics show that the remaining life expectancy of a 6-year-old is 69 years; with the 21-year period tacked on, this gives a period of 90 years.

. . .

Using a flat period of years, derived on this basis, has great advantages over the "causal-relationship" method of marking off the maximum allowable vesting period. It avoids the confusion and ambiguity of identifying actual measuring lives and it avoids the administrative costs of tracing those persons to see when the survivor dies. This approach also eliminates

potentially wasteful litigation at one point or another during the running of the waiting period. An example of such wasteful litigation is the recent Rhode Island case of Fleet Nat'l Bank v. Colt, 529 A.2d 122 (R.I. 1987), where litigation arose some 66 years into the term of a trust to determine who the measuring lives were under a causal-relation-type wait-and-see statute. The trust in the Colt case was upheld, but there would have been no need for the litigation under the Uniform Act (nor would the matter have been litigated if only the drafter of the trust had inserted a standard perpetuity-saving clause). (It may also be noted that legal commentators have disputed the Rhode Island court's selection of the measuring lives in the Colt case, providing further evidence of the unworkability of the causal-relationship method.)

The Uniform Statutory Rule Against Perpetuities is a comprehensive, state-of-the-art perpetuity-reform statute that reflects the most recent thinking about the subject. The Uniform Act has been approved by the House of Delegates of the American Bar Association, on the unanimous recommendation of the Council of the A.B.A. Section of Real Property, Probate and Trust Law. It has also been unanimously endorsed by the Board of Regents of the American College of Probate Counsel, the Board of Governors of the American College of Real Estate Lawyers, and the Joint Editorial Board for the Uniform Probate Code.

As of early August 1989, the Uniform Act has been enacted in nine states -- Connecticut, Florida, Michigan, Minnesota, Montana, Nebraska, Nevada, Oregon, and South Carolina. These enactments make the Uniform Act the predominant legislative reform measure in the country, and the Act appears to be on its way toward enactment in several other states. Alaska will hopefully soon join this group of enacting states.

If so, Alaska would not be the first state that had previously adopted a "causal-relationship" type wait-and-see statute to repeal that older version and replace it with the Uniform Act. Nevada was the first state to have done that, followed by Florida. Prior to the adoption of the Uniform Act, Nevada and Florida had adopted a "causal-relationship" type wait-and-see statute similar to the current Alaska statute. By enacting the Uniform Act, Nevada and Florida corrected their earlier mistake in using that approach.

The great advantage of the Uniform Act is that it has overcome the uncertainty and awkwardness associated with the earlier statutory attempts at wait-and-see. By adopting a maximum allowable period measured by a flat period of years, the wait-and-see approach has, for the first time, been made easy to understand, apply, and administer.

Alaska Statutes

§ 34.27.010. Modification of the common law rule against perpetuities. In determining whether an interest would violate the rule against perpetuities, the period of perpetuities shall be measured by actual rather than possible events. However, the period of perpetuities shall not be measured by a life whose continuance does not have a causal relationship to the vesting or failure of the interest. An interest that would violate the rule against perpetuities as modified by this section shall be reformed, within the limits of that rule, to approximate most closely the intention of the creator of the interest.

H B

3 19

A M E N D M E N T

OFFERED IN THE HOUSE

BY REPRESENTATIVE PHILLIPS

TO: HB 319

Page 2, line 10, following "contendere to":

Insert ", forfeits bail for,"

Page 2, line 13, following "violation of":

Insert "AS 28.15.291, AS 28.33.030, 28.33.031,"

Page 2, line 14, following "28.35.032,":

Insert "28.35.040, 28.35.060,"

Page 2, line 15:

Following "violation of":

Insert "AS 28.15.291, AS 28.33.030, 28.33.031,"

Following "28.35.032,":

Insert "28.35.040, 28.35.060,"

- AMENDMENT -



217 Second Street, Suite 200 • Juneau, Alaska 99801 • Tel (907)586-1325, Fax (907)463-5480

February 4, 1994

TO: Brian Porter, Chair
and Members,
House Judiciary Committee

FROM: Kent E. Swisher, Executive Director

RE: **HB 319 - Training of law enforcement and corrections officers**

The Alaska Municipal League supports the intent of **HB 319**, to ensure that Alaska's public safety personnel have access to an efficient professional law enforcement training network.

The League's *1994 Policy Statement*, adopted by AML members in November 1993, includes the following statement in support of general training opportunities:

The League urges the legislature to assure, through state assistance, that local full-time and volunteer police, fire, emergency medical, and other emergency preparedness personnel throughout the state have access to adequate facilities and program resources for training. Further, the League endorses public fire education and arson education. (*1994 Policy Statement*, Part III-Public Safety, B-Training)

94LEGIS:HB319.2-4

Alaska State Legislature



House of Representatives
House Judiciary Committee

State Capitol, Room 120
Juneau, Alaska 99801-1182
(907) 465-4990

MEMORANDUM

=====
Date: February 18, 1994
To: House Judiciary Committee Members
From: House Judiciary Committee Staff
Subject: HB 319

Please find attached additional information for HB 319, including two new fiscal notes and an amendment.

FISCAL NOTE

BILL NO. CSHB 319 (JUD)

STATE OF ALASKA
1994 LEGISLATIVE SESSION

Revision Date: February 17, 1994
Title: "...relating to the training of law enforcement and correction officers...surcharges..."
Sponsor: Representative Phillips
Requestor: Representative Phillips

Department Affected: Department of Law
BRU: Legal Services
Component: Operations
COMPONENT SERIAL NO. 0092

EXPENDITURES/REVENUES:

OPERATING	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
PERSONAL						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND &						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

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

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

FUNDING:

1002 Federal						
1003 GF Match						
1004 GF						
1005 GF/Program						
1006 GF/MHTIA						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

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

Estimate of current year (FY94) impact: -0

ANALYSIS: (Attach a separate page if necessary.)
Please see the attached analysis.

Prepared by: Richard I. Peques, Director
Division: Administrative Services Division
Approved by Commissioner: Bruce M. Botelho, Attorney General
Agency: Department of Law

Phone: 465-3672
Date: February 17, 1994
Date: February 17, 1994

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FISCAL NOTE

STATE OF ALASKA
1994 LEGISLATIVE SESSION

BILL NO. CSHB 319 (JUD)

ANALYSIS CONTINUATION:

This bill amends AS 12.55 to add a surcharge of \$10 to any fine or penalty assessed as a result of a violation of a vehicle or traffic offense under AS 28, except the surcharge would be \$25 if the offense was driving while intoxicated or if the offense was refusal to submit to a chemical test. The bill also amends AS 18.65 to establish the Alaska police training fund in the general fund, consisting of appropriations made by the legislature to the fund. The bill provides that the legislature may appropriate from the funds collected as surcharges; however, the bill also makes it clear that nothing in the bill creates a dedicated fund. Finally, the bill also provides that the state may initiate proceedings to collect unpaid surcharges.

It appears that about 70 percent of fines and penalties that accrue from traffic offenses are paid voluntarily, and it is anticipated that the same high ratio of surcharges would also be paid voluntarily. Because of the costs involved in attempting to collect the remaining 30 percent of unpaid surcharges, state efforts to collect the unpaid amount would not be undertaken until their value substantially exceeds the cost for collection. Consequently, there will not be a fiscal impact for the Department of Law.

STATE OF ALASKA
1994 LEGISLATIVE SESSION

DRAFT

BILL NO: CSHB 319JUD

Revision Date: _____ Dept. Affected: Public Safety
 Title: Peace Officers Training Fund BRU: Alaska Police Standards Council
 Component: Alaska Police Standards Council
 Sponsor: REP. PHILLIPS
 Requestor: H. JUD COMPONENT SERIAL NO. 519

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

OPERATING	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
PERSONAL SERVICES	105.2	105.2	105.2	105.2	105.2	105.2
TRAVEL	12.0	12.0	12.0	12.0	12.0	12.0
CONTRACTUAL	180.7	580.7	580.7	580.7	580.7	580.7
SUPPLIES	.7	.7	.7	.7	.7	.7
EQUIPMENT	400.0					
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	698.6	698.6	698.6	698.6	698.6	698.6

CAPITAL EXPENDITURES	-0-	-0-	-0-	-0-	-0-	-0-
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CHANGE IN REVENUES (1005)	698.6	698.6	698.6	698.6	698.6	698.6
Revenue Code						

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts	698.6	698.6	698.6	698.6	698.6	698.6
1006 GF/MHTIA						
Other						
TOTAL	698.6	698.6	698.6	698.6	698.6	698.6

Estimate of current year (FY 94) impact: \$ _____

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary.) APSC's Basic Operating Budget provides funding for staff, travel for council members and contractual services for basic police training. H3319 would supplement training for 2200 officers statewide and increase funding for training of additional peace officers.

Prepared By: Laddie Shaw Phone: 255-4378
 Division: Alaska Police Standards Council Date: 2-14-94
 Approved by Commissioner: [Signature] Date: 2-14-94
 Agency: Richard L. Burton, Dept. of Public Safety

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The Alaska Police Standards Council is responsible by legislation (AS 18.65.230) to establish and maintain training programs for law enforcement agencies and correctional institutions. In-service training is essential to support the special requirements of peace officers throughout the state.

CSHB319 JUD establishes a training fund that would allow for a much needed continuing education and training support of the law enforcement and corrections community throughout Alaska.

Presently the Alaska Police Standards council is funded to support the basic level training of 15 officers. No additional funds are available for any in-service training from the Alaska Police Standards Council.

In-service and specialized training are being addressed in a fragmented fashion by taking advantage of training whenever and wherever it is offered.

The establishment of this fund will come about in the development of a user fee assessment, as where violators will pay for police and corrections training.

In charging a \$10 assessment on all uniformed traffic citations and court judgements, projected revenue to the fund will be \$539.3.

A \$25 assessment on operating a motor vehicle or aircraft while intoxicated, reckless driving, refusal to submit to a chemical test, driving while license canceled, suspended or revoked, and failure to stop and give aid when a motor vehicle accident occurs, equate to a projected revenue of \$159.3.

To deal with the additional tasks necessary to implement this legislation, two full-time positions will be needed. One position is a Training Coordinator, who will be a point of contact for all information in regards to training. A Training Coordinator will provide a cost savings as training currently offered will be maximized and be more cost effective. The position will coordinate activities of training programs with all law enforcement agencies and correctional institutions throughout the state. Duties will

also include the development and coordination of in-service, instructor and recertification training programs. Travel is required of this position to insure the training and educational needs of the law enforcement and corrections are being carried out.

The position of a Data Processing Clerk is needed to set up and maintain files of correspondence and records for the ongoing training reports submitted by the peace officer network, and assist in processing the 2200 officer certification updates, new certificates, and decertification processes.

Initial equipment cost will be in setting up advanced technology (interactive video systems) throughout the state with satellite capabilities. This will allow the law enforcement and corrections community the down link capability to interact with training available in other states. The computer based capability would allow training to be done on site as well as providing for adaptability to a full classroom setting. Driving simulators and firearms training systems are also needed to update statewide training.

Basic level training and in-service training will encompass the additional portion of the funds.

CSHB319 JUD will supplement the existing Police Standards budget to allow for the much needed growth of recruits in the basic level academies.

In-service training would be relevant to continuing enforcement education in areas of investigation, community relations, multi-cultural diversity, officer safety, use of force, etc. Training is also needed for recertification, i.e.: first aid, intoximeter, defensive tactics, firearms, etc.

The following is a summary of the costs that are anticipated to be incurred the first year of operations under this legislation.

Personal Services	105.2
Travel	12.0
Contractual	180.7
Supplies	.7
Equipment	<u>400.0</u>
TOTAL	698.6

Costs not included after the first year are the equipment costs (400.0) which will be moved to contractual for basic and in-service training needs the following years.

Personal Services

Training Coordinator Range 18 Step A	
Salary	\$48,876
Benefits	<u>19,654</u>
(includes 200 hours overtime)	\$ 68,530
Data Processing Clerk II Range 9 Step A	
Salary	\$24,288
Benefits	<u>12,366</u>
	\$ 36,654
Total Personal Services	\$ 105,184

Contractual

Basic Level Training 10 Students @ 10 Weeks	\$ 53,000
In-Service/Field Training and Executive Level Training	\$ 125,700
Long Distance Phone Costs	\$ 2,000
Total Contractual Costs	\$ 180,700

Supplies

Stationary, copy machine paper, Calculator, etc.	\$ 700
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Equipment

Two Desks	\$ 1500	
Credenza	500	
Two Chairs	1000	
Two Side Chairs	600	
Work Station (Technical)	2500	
Work Station (Support)	2500	
Two Bookcases	400	
Four File Cabinets	2100	
Two PC Systems	7000	
PC Hookup Charge	500	
Work Table	500	
Cellular Phone	500	
Two Telephone & Installation	<u>400</u>	
	SUBTOTAL	\$ 20,000
Technical Training Interface		
Satellite Dish X 10	\$30,000	
Inter Active Video System X 10		
Large Screen TV, CD-Rom (PC)		
Software, Hardware (Set-up)	40,000	
Driving Simulators X 4	150,000	
Firearms Training System X 2	160,000	
	SUBTOTAL	<u>\$ 380,000</u>
	TOTAL	\$ 400,000