

ALASKA LEGISLATURE COMMITTEE FILES 1993-1994 8672

8494 SENATE STATE AFFAIRS

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Luckhaupt  
4/27/94

SENATE CS FOR CS FOR HOUSE BILL NO. 351(STA)  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
EIGHTEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Offered:  
Referred:

Sponsor(s): REPRESENTATIVES JAMES, Bunde, Olberg, Sanders

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to permits for the carrying of a concealed handgun; providing  
2 for local option elections in municipalities and established villages to prohibit the  
3 possession of a concealed handgun under a permit; and relating to the possession  
4 of weapons; and providing for an effective date."

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

6 \* Section 1. AS 11.61.220(b) is amended to read:

7 (b) In a prosecution under (a)(1) of this section, it is an affirmative defense  
8 that the defendant, at the time of possession, was

9 (1) in the defendant's dwelling or on land owned or leased by the  
10 defendant appurtenant to the dwelling; [OR]

11 (2) actually engaged in lawful hunting, fishing, trapping, or other lawful  
12 outdoor activity that necessarily involves the carrying of a weapon for personal  
13 protection; or

14 (3) the holder of a valid permit to carry a concealed handgun under

1 AS 18.65.700 - 18.65.790, the deadly weapon concealed was a handgun as defined  
2 in AS 18.65.790, and the possession did not occur in a municipality or established  
3 village in which the possession of concealed handguns is prohibited under  
4 AS 18.65.780 -18.65.785.

5 \* Sec. 2. AS 11.61.220(e) is amended to read:

6 (e) For purposes of this section, a deadly weapon on a person is concealed if  
7 it is covered or enclosed in any manner so that an observer cannot determine that it  
8 is a weapon without removing it from that which covers or encloses it or without  
9 opening, lifting, or removing that which covers or encloses it; a deadly weapon on  
10 a person is not concealed if it is an unloaded firearm encased in a closed  
11 container designed for transporting firearms.

12 \* Sec. 3. AS 11.61.220(f) is amended to read:

13 (f) For purposes of (a)(2) and (e) of this section, a firearm is loaded if the  
14 (1) firing chamber, magazine, clip, or cylinder of the firearm contains  
15 a cartridge; and  
16 (2) chamber, magazine, clip, or cylinder is installed in or on the  
17 firearm.

18 \* Sec. 4. AS 18.65 is amended by adding new sections to read:

19 ARTICLE 9. PERMIT TO CARRY A CONCEALED HANDGUN.

20 Sec. 18.65.700. PERMIT TO CARRY A CONCEALED HANDGUN. (a) The  
21 department shall issue a permit to carry a concealed handgun to a person who

22 (1) applies in person at an office of the Alaska State Troopers;

23 (2) qualifies under AS 18.65.705;

24 (3) submits a completed application on a form provided by the  
25 department, that provides the information required under AS 18.65.705 and 18.65.710  
26 and is executed under oath;

27 (4) submits two complete sets of fingerprints on Federal Bureau of  
28 Investigation approved fingerprint cards that are of sufficient quality so that the  
29 fingerprints may be processed; the fingerprints must be taken by a person, group, or  
30 agency approved by the department; the department shall maintain a list of persons,  
31 groups, or agencies approved to take fingerprints and shall provide the list to the

1 public upon request;

2 (5) submits evidence of competence with handguns as provided in  
3 AS 18.65.715;

4 (6) provides two frontal view color photographs of the person taken  
5 within the preceding 30 days that include the head and shoulders of the person and are  
6 of a size specified by the department;

7 (7) shows a valid Alaska driver's license or identification card at the  
8 time of application;

9 (8) does not suffer a physical infirmity that prevents the safe handling  
10 of a handgun; and

11 (9) pays the application fee required by AS 18.65.720.

12 (b) The department shall either approve or reject an application for a permit  
13 to carry a concealed handgun under (a) of this section within 15 days of receipt of  
14 permit eligibility information from the Federal Bureau of Investigation or other agency  
15 necessary to make a determination concerning the application. The department shall  
16 request permit eligibility information under this subsection within five days of the  
17 receipt of the application. The department shall notify the applicant in writing of the  
18 reason for a rejection.

19 (c) A person whose application is rejected under this section may appeal the  
20 rejection decision to the commissioner. A person may seek judicial review of the  
21 decision of the commissioner under AS 44.62.560 - 44.62.570.

22 (d) A permit issued under (a) of this section is valid for four years from the  
23 date of issue. The permit must specify the action types and maximum calibers of  
24 handgun described in the permittee's certificate of competency under AS 18.65.715 but  
25 may not specifically identify a handgun by make, model, or serial number.

26 Sec. 18.65.705. QUALIFICATIONS TO OBTAIN A PERMIT. A person is  
27 qualified to receive and hold a permit to carry a concealed handgun if the person

28 (1) is 21 years of age or older;

29 (2) is eligible to own or possess a firearm under the laws of this state  
30 and under federal law;

31 (3) has not been convicted of and is not currently charged under a

1 complaint, information, indictment, or presentment with a felony under the laws of this  
2 state or a similar law of another jurisdiction;

3 (4) has not been convicted, within the five years immediately preceding  
4 the application, of, and is not currently charged under a complaint, information,  
5 indictment, or presentment with, any of the following misdemeanor offenses or similar  
6 laws of another jurisdiction:

7 (A) AS 11.41.230, 11.41.250, 11.41.270;

8 (B) AS 11.46.315, 11.46.320, 11.46.330, 11.46.430, 11.46.484;

9 (C) AS 11.51.130;

10 (D) AS 11.56.330, 11.56.350, 11.56.380, 11.56.545, 11.56.700,  
11 11.56.710, 11.56.740, 11.56.780, 11.56.790, 11.56.800, 11.56.805;

12 (E) AS 11.61.110, 11.61.120, 11.61.210, 11.61.220, 11.61.240;

13 or

14 (F) AS 11.71.050, 11.71.060;

15 (5) has not been convicted of two or more class A misdemeanors of  
16 this state or similar laws of another jurisdiction within the five years immediately  
17 preceding the application;

18 (6) has not within the 10 years immediately preceding the application  
19 been adjudicated a delinquent for a felony offense of this state or another jurisdiction;

20 (7) is not now suffering, and has not within the five years immediately  
21 preceding the application suffered, from a mental illness as defined in AS 47.30.915;

22 (8) has not been adjudicated as mentally incapacitated by a court of this  
23 state, another state, territory, or jurisdiction, or of the United States, unless the  
24 guardianship or similar arrangement has been closed or terminated and five years have  
25 elapsed since the closure or other termination;

26 (9) is a resident of the state and has been for the 90 days immediately  
27 preceding the application for a permit;

28 (10) has not been discharged from the armed forces of the United  
29 States under dishonorable conditions;

30 (11) is not an alien who is residing in the United States illegally or a  
31 former citizen of the United States who has renounced the person's citizenship;

- 1 (12) is not an unlawful user of, or addicted to, a controlled substance;  
2 (13) is not now the subject of an injunction under AS 25.35.010 -  
3 25.35.020 unless the injunction has been dissolved or has expired;  
4 (14) is not now in and has not in the three years immediately preceding  
5 the application entered an alcohol treatment program;  
6 (15) is not now in and has not in the three years immediately preceding  
7 the application entered a substance abuse treatment program; and  
8 (16) has demonstrated competence with handguns as provided in  
9 AS 18.65.715.

10 Sec. 18.65.710. APPLICATION FOR PERMIT TO CARRY A CONCEALED  
11 HANDGUN. (a) The application for a permit to carry a concealed handgun must  
12 contain the following information:

- 13 (1) the applicant's name, physical residence, mailing address, place and  
14 date of birth, physical description, including height, weight, race, hair color, and eye  
15 color, Alaska driver's license or identification card number, and the city and state of  
16 each place the applicant has resided in the five years immediately preceding the  
17 application;
- 18 (2) a statement that the applicant qualifies under AS 18.65.705;
- 19 (3) a statement that the applicant has been furnished with a copy of  
20 AS 18.65.700 - 18.65.790, has read those sections, and understands them;
- 21 (4) a statement that the applicant desires a permit to carry a concealed  
22 handgun for a lawful purpose, which may include self-defense;
- 23 (5) a sworn statement by the applicant that all statements, answers, and  
24 attachments to the application are true and complete;
- 25 (6) a conspicuous warning that the application is executed under oath  
26 and that an applicant who supplies a false statement, answer, or document, in  
27 connection with the application that the applicant does not believe to be true, may be  
28 prosecuted for perjury under AS 11.56.200 and, if found guilty, may be punished for  
29 violation of a class B felony, and that in such cases the permit shall be revoked and  
30 the applicant may be barred from any further application for a permit; and  
31 (7) a statement that the applicant understands that a permit eligibility

1 investigation will be conducted as a part of the application process, that this may  
2 involve computerized records searches, and that the applicant authorizes the  
3 investigation.

4 (b) An application under (a) of this section may not inquire of an applicant  
5 about or require the submission of information beyond that described in that  
6 subsection. As part of an application under (a) of this section, the department may not  
7 inquire of an applicant as to any firearms owned by the applicant.

8 Sec. 18.65.715. DEMONSTRATION OF COMPETENCE WITH  
9 HANDGUNS. (a) An applicant for a permit to carry a concealed handgun shall  
10 provide a certificate of successful completion of a handgun course that is approved by  
11 the department. The certificate must state the action type and caliber of handgun or  
12 handguns the applicant has demonstrated competence with and that the applicant may  
13 be permitted to carry. A permittee may only carry as a concealed handgun an action  
14 type of handgun described in the certificate. A permittee may only carry as a  
15 concealed handgun the caliber of the action type that the permittee demonstrated  
16 competence with or any lesser caliber of the same action type. The handgun course  
17 must have been completed within the 12 months immediately preceding the  
18 application. The department shall approve the personal protection course offered by  
19 the National Rifle Association and any other handgun course that tests the applicant's

20 (1) knowledge of Alaska law relating to firearms and the use of deadly  
21 force;

22 (2) familiarity with the basic concepts of the safe and responsible use  
23 of handguns;

24 (3) knowledge of self-defense principles; and

25 (4) physical competence with each action type of handgun the applicant  
26 wishes to carry under the permit and the maximum caliber for each action type the  
27 applicant wishes to carry under the permit.

28 (b) At the time the permittee renews a permit under AS 18.65.725 for the  
29 second time and every other renewal thereafter, the permittee shall provide at the time  
30 of renewal a certificate of successful completion of a handgun course approved by the  
31 department under (a) of this section. A handgun course required under this subsection

1 must be completed in the 12 months immediately preceding the appropriate renewal.

2 (c) The department may not require a certificate of competence submitted  
3 under this section to contain any specifically identifying information, including make,  
4 model, or serial number, of a handgun with which an applicant or permittee has  
5 demonstrated competence.

6 (d) The department shall maintain a list of approved courses and shall provide  
7 the list to the public upon request.

8 Sec. 18.65.720. FEES. The department shall charge a nonrefundable fee for  
9 the processing of the application for and initial issuance of a permit, renewal of a  
10 permit, or replacement of a permit. The fees shall be set by regulation and must be  
11 based on the actual costs incurred by the department. However, the fee for the  
12 processing of an application and initial issuance of a permit may not exceed \$125 and  
13 the fee for renewal of a permit or replacement of a permit may not exceed \$50.

14 Sec. 18.65.725. PERMIT RENEWAL. (a) A permittee shall apply in person  
15 for renewal of a permit to carry a concealed handgun within 90 days before the  
16 expiration of the permit and shall present a complete renewal form provided by the  
17 department. The renewal form shall be submitted under oath and must include

18 (1) any change in the information originally submitted under  
19 AS 18.65.710;

20 (2) a statement that the person remains qualified to receive and hold  
21 a permit to carry a concealed handgun under AS 18.65.705;

22 (3) if required under AS 18.65.715, a certificate of successful  
23 completion of a handgun course within the 12 months immediately preceding the  
24 renewal;

25 (4) two frontal view photographs of the person taken within the  
26 preceding 30 days that include the head and shoulders of the person and are of a size  
27 specified by the department; and

28 (5) the renewal fee required under AS 18.65.720.

29 (b) The department shall take a single thumb or fingerprint from the permittee  
30 to compare against the fingerprints originally submitted with the application.

31 (c) A renewal of a permit to carry a concealed handgun submitted on or after

1 the expiration date is subject to a late fee of \$25. The department may not accept a  
2 renewal for a permit that is submitted more than 30 days after the expiration date of  
3 the permit. Nothing in this subsection prohibits the holder of an expired permit from  
4 applying for a new permit.

5 (d) A renewal form under (a) of this section may not inquire of a permittee  
6 about, or require the submission of, information beyond that described in (a) of this  
7 section.

8 Sec. 18.65.730. REPLACEMENT OF PERMIT. The department may replace  
9 a permit that the permittee certifies under oath has been lost, stolen, or destroyed,  
10 provided the permittee applies in person and

11 (1) provides two frontal view photographs of the permittee taken within  
12 the preceding 30 days that include the head and shoulders and are of a size specified  
13 by the department;

14 (2) submits to the taking of a single thumb or fingerprint by the  
15 department to compare against the fingerprint originally submitted with the application;  
16 and

17 (3) pays the replacement fee required under AS 18.65.720.

18 Sec. 18.65.735. SUSPENSION OF PERMIT. (a) The department shall  
19 immediately suspend a permit to carry a concealed handgun if a permittee is arrested  
20 for or formally charged with a crime that would disqualify the permittee under  
21 AS 18.65.705(3) - (4) from being eligible for a permit to carry a concealed handgun  
22 or is the subject of an injunction under AS 25.35.010 - 25.35.020. A suspension of  
23 a permit remains in effect until the permit is revoked under AS 18.65.740, the  
24 department has been notified of a disposition favorable to the defendant or the  
25 defendant has been released from custody without being charged, or the injunction  
26 under AS 25.35.010 - 25.35.020 is dissolved or expires without being renewed. In this  
27 section, "disposition favorable to the defendant" means a dismissal by the prosecutor  
28 or an adjudication by a court other than a conviction or a suspended imposition of  
29 sentence.

30 (b) A person whose permit is suspended under this section shall immediately  
31 surrender the permit to the nearest peace officer. A peace officer receiving a permit

1 under this section shall immediately forward the permit to the department.

2 (c) The department shall retain a permit suspended under this section until the  
3 permit is revoked or returned to the permittee.

4 Sec. 18.65.740. REVOCATION OF PERMIT; APPEAL. (a) A permit to  
5 carry a concealed handgun shall be immediately revoked by the department when the  
6 permittee

7 (1) becomes disqualified to receive and hold a permit under  
8 AS 18.65.705;

9 (2) is convicted of two class A misdemeanors of this state or similar  
10 laws of another jurisdiction within a five-year period if at least one of the convictions  
11 occurs after the application;

12 (3) knowingly supplied a false or fraudulent answer, statement, or  
13 document, or made a material misstatement or omission, in connection with an  
14 application for a permit or renewal or replacement of a permit.

15 (b) A person whose permit is revoked under (a) of this section shall  
16 immediately surrender the permit to the nearest peace officer. A peace officer  
17 receiving a permit under this section shall immediately forward the permit to the  
18 department.

19 (c) A person whose permit is revoked under this section may appeal the  
20 revocation decision to the commissioner. A person may seek judicial review of the  
21 decision of the commissioner under AS 44.62.560 - 44.62.570.

22 (d) A person whose permit is revoked may not apply for a permit until at least  
23 five years after the revocation.

24 Sec. 18.65.745. NO LIABILITY FOR ISSUANCE OF PERMIT OR FOR  
25 TRAINING. (a) The state, and its officers and employees, are not liable by virtue of  
26 having issued a permit to carry a concealed handgun for damage or harm caused by  
27 the permittee.

28 (b) A person who provides firearm training to a person who receives a permit  
29 under AS 18.65.700 - 18.65.790 is not liable for damage or harm caused by the  
30 permittee.

31 Sec. 18.65.750. POSSESSION AND DISPLAY OF PERMIT. (a) A permittee

1 shall carry the permit at all times the permittee carries a concealed handgun. The  
2 permittee shall display both the license and other proper identification when asked to  
3 do so by a peace officer at any time.

4 (b) Whenever a permittee who is carrying a concealed handgun is contacted  
5 by a peace officer, the permittee shall immediately inform the peace officer that the  
6 permittee is carrying a concealed handgun under the permit.

7 (c) During a contact with a permittee, a peace officer may secure a handgun,  
8 or direct that it be secured, during the duration of the contact if the peace officer  
9 determines that the action is necessary for the safety of any person, including the peace  
10 officer, present. The permittee shall submit to the securing of the handgun.

11 (d) In this section, "contacted by a peace officer" means stopped, detained,  
12 questioned, or addressed in person by the peace officer for an official purpose.

13 (e) A person who violates (a) of this section is guilty of a violation and upon  
14 conviction may be punished by a fine of not more than \$100.

15 (f) A person who violates (b) or (c) of this section is guilty of a class A  
16 misdemeanor.

17 Sec. 18.65.755. PLACES WHERE PERMITTEE MAY NOT POSSESS A  
18 CONCEALED HANDGUN. (a) A permittee may not carry a concealed handgun into

19 (1) a law enforcement or correctional facility;

20 (2) or on school grounds or a school bus; in this paragraph, "school  
21 grounds" has the meaning given in AS 11.71.900;

22 (3) a courthouse or a courtroom of this state, unless the permittee

23 (A) is a judge; or

24 (B) has been authorized to possess a concealed handgun by a  
25 judge presiding at that courthouse or courtroom;

26 (4) a building housing only state or federal offices or the offices of a  
27 political subdivision of the state, except as authorized under (3) of this subsection;

28 (5) an office of the state, federal government, or of a political  
29 subdivision of the state that is not located in a building described in (4) of this  
30 subsection;

31 (6) a passenger loading or unloading area of an airline terminal;

1 (7) a vessel of the Alaska marine highway system;

2 (8) a facility providing services to victims of domestic violence or  
3 sexual assault;

4 (9) a financial institution; in this paragraph, "financial institution"  
5 means a bank, savings bank, savings association, credit union, or other institution  
6 regulated by the Department of Commerce and Economic Development under AS 06;

7 (10) another place where the possession of a deadly weapon or firearm  
8 is prohibited by law; or

9 (11) a municipality or established village that has prohibited the  
10 possession of concealed handguns by a permit under AS 18.65.780 - 18.65.785.

11 (b) In addition to any other penalty provided by law, a person who violates  
12 this section is guilty of a class B misdemeanor.

13 Sec. 18.65.760. MISUSE OF A PERMIT. (a) The holder of a permit issued  
14 under AS 18.65.700 - 18.65.790 may not

15 (1) alter the permit;

16 (2) allow another person to use the permit;

17 (3) possess or display a suspended or revoked permit; or

18 (4) display an expired permit.

19 (b) A person who violates (a)(1) - (3) of this section is guilty of a class A  
20 misdemeanor.

21 (c) A person who violates (a)(4) of this section is guilty of a violation and  
22 upon conviction may be punished by a fine of not more than \$100.

23 Sec. 18.65.765. RESPONSIBILITIES OF THE PERMITTEE. (a) The holder  
24 of a permit issued under AS 18.65.700 - 18.65.790

25 (1) shall notify the department of a change in the permittee's address  
26 within 30 days;

27 (2) shall immediately report a lost, stolen, or illegible permit to the  
28 department; and

29 (3) shall immediately notify the department if the holder is no longer  
30 qualified to hold a permit under AS 18.65.705; and

31 (4) may only carry a concealed handgun of the action type and caliber

1 the holder has demonstrated competency with or of any lesser caliber of the same  
2 action type as authorized in the permit issued under AS 18.65.700.

3 (b) A person who violates this section is guilty of a violation and upon  
4 conviction may be punished by a fine of not more than \$100.

5 Sec. 18.65.770. ACCESS TO LIST OF PERMITTEES BY PEACE  
6 OFFICERS. The department shall compile a list of permittees in a manner that allows  
7 immediate access to the information by peace officers. The list of permittees and all  
8 applications, permits, and renewals are not public records under AS 09.25.110 -  
9 09.25.125 and may only be used for law enforcement purposes.

10 Sec. 18.65.775. REGULATIONS. The department shall adopt regulations to  
11 implement AS 18.65.700 - 18.65.790. This section does not delegate to the  
12 department the authority to regulate or restrict the issuing of permits beyond those  
13 provisions contained in AS 18.65.700 - 18.65.790.

14 Sec. 18.65.778. MUNICIPAL PREEMPTION. A municipality may not restrict  
15 the carrying of a concealed handgun by permit under AS 18.65.700 - 18.65.790 except  
16 as provided in AS 18.65.780 - 18.65.785.

17 Sec. 18.65.780. PROHIBITION OF POSSESSION OF CONCEALED  
18 HANDGUNS. (a) The following question, appearing alone, may be placed before the  
19 voters of a municipality or an established village in accordance with AS 18.65.785:

20 Shall the possession of concealed handguns by permit in .....  
21 (name of municipality or village) be prohibited?

22 [ ] Yes [ ] No.

23 (b) If a majority of the voters vote "yes" on the question set out in (a) of this  
24 section, the department shall be notified immediately after certification of the results  
25 of the election, and so long as the prohibition remains in effect, a person may not  
26 possess a concealed handgun with a permit issued under AS 18.65.700 - 18.65.790 in  
27 the municipality or the established village.

28 Sec. 18.65.785. PROCEDURE FOR LOCAL OPTION ELECTIONS. (a) The  
29 local governing body of a municipality, whenever a number of registered voters equal  
30 to at least 10 percent of the number of votes cast at the last regular municipal election  
31 petition the local governing body to do so, shall place upon a separate ballot at the

1 next regular election or at a special election the question set out in AS 18.65.780 that  
2 is the subject of the petition. The local governing body shall conduct the election in  
3 accordance with the election ordinance of the municipality.

4 (b) The lieutenant governor, whenever 10 percent of the registered voters  
5 residing within an established village petition the lieutenant governor to do so, shall  
6 place upon a separate ballot at a special election the question set out in AS 18.65.780  
7 that is the subject of the petition. The lieutenant governor shall conduct the election  
8 in the manner prescribed by AS 15 (Alaska Election Code).

9 (c) Notwithstanding another provision of law, an election under (a) or (b) of  
10 this section relating to the possession of concealed handguns by permit under  
11 AS 18.65.780 may not be conducted more than once every 12 months.

12 (d) AS 29.26.110 - 29.26.160 apply to a petition under (a) of this section in  
13 a general law municipality except the

14 (1) number of required signatures is determined under (a) of this  
15 section rather than under AS 29.26.130;

16 (2) application filed under AS 29.26.110 must contain the question set  
17 out under AS 18.65.780 rather than containing an ordinance or resolution;

18 (3) petition must contain the question set out under AS 18.65.780 rather  
19 than material required under AS 29.26.120(a)(1) and (2).

20 Sec. 18.65.790. DEFINITIONS. In AS 18.65.700 - 18.65.790,

21 (1) "commissioner" means the commissioner of public safety;

22 (2) "competence" means the ability to place in a life size silhouette  
23 target

24 (A) seven out of 10 shots at seven yards;

25 (B) six out of 10 shots at 15 yards;

26 (3) "concealed handgun" means a firearm, that is a pistol or a revolver,  
27 and that is covered or enclosed in any manner so that an observer cannot determine  
28 that it is a handgun without removing it from that which covers or encloses it or  
29 without opening, lifting, or removing that which covers or encloses it; however,  
30 "concealed handgun" does not include a shotgun, rifle, derringer or other miniature  
31 handgun, or a prohibited weapon as defined under AS 11.61.200; in this paragraph,

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(A) "derringer" means a handgun that has individual barrels for each cartridge it is capable of firing and lacks a manufacturer's installed trigger guard that completely encircles the trigger and which is part of the frame; and

(B) "miniature handgun" means a handgun that has a barrel length of three and one-half inches or less and lacks a manufacturer's installed trigger guard that completely encircles the trigger and which is part of the frame;

(4) "department" means the Department of Public Safety;

(5) "established village" has the meaning given in AS 04.21.080;

(6) "local governing body" has the meaning given in AS 04.21.080;

(7) "permit" means a permit to carry a concealed handgun issued under AS 18.65.700 - 18.65.790.

\* Sec. 5. AS 18.65.780 - 18.65.790, added by sec. 4 of this Act, take effect immediately.

\* Sec. 6. Except as provided in sec. 5 of this Act, this Act takes effect October 1, 1994.

**HB**

**364**

# Legislative Research Agency

Alaska State Legislature



130 Seward Street, Suite 218  
Juneau, Alaska 99801-2196

Phone: (907) 465-3991  
Fax: (907) 463-3351

February 1, 1994

## MEMORANDUM

TO: Representative Bettye Davis

FROM: Paula d. Scavera *PdS*  
Legislative Analyst

RE: **Alaska Children's Trust Fund Account**  
Research Request 94.133

You requested information concerning the fund balance of the Alaska Children's Trust Fund account. You also requested information concerning the number of special birth certificates which have been sold pursuant to AS 18.50.225 (attached).

According to Lorraine Derr, deputy commissioner of the Alaska Department of Revenue, no funds have been appropriated or donated to the Alaska Children's Trust Fund. She stated there is a zero balance in that account.

Since 1990, according to the Alaska Department of Health and Social Services, 88 special birth certificates sold (from 45 requests). For this fiscal year (FY 94) 2 requests have been made with 2 certificates sold. The special birth certificates sell for \$25 plus the regular birth certificate charge. The receipts from the sale of these certificates go into the state's general fund. *\$2,200.00*

Attached are copies of the Alaska Children's Trust Fund statute citations and a listing of the members of the Alaska Human Relations Commission which according to statute administers the Alaska Children's Trust Fund.

If you need further assistance, please contact this office.

Attachments

May 8, 1994

**SENATE STATE AFFAIRS COMMITTEE**

Sen. Loren Leman, Chair  
Sen. Mike Miller, Vice-Chair  
Sen. Robin Taylor  
Sen. Johnny Ellis  
Sen. Jim Duncan

**RE: Iditarod Checkoff contained in CS HB 364(FIN)(title am)**

We are requesting your support by your vote for the voluntary permanent fund dividend checkoff which would be authorized by the passage of the above-referenced legislation.

Alaska's Iditarod Sled Dog Race has been under an ever-increasing attack from outside special interest groups, most notably the Humane Society of the United States (HSUS). The result of their negative campaigning tactics has been the withdrawal of financial support by sponsors located outside of Alaska, as well as making it extremely difficult for some instate sponsors with national "parents" or stockholders.

What has this cost the Iditarod race? In 1993 - \$200,000; a new national attack (Good Morning America) late last month our two remaining 'outside' sponsors have advised is nearly certain to translate into losing their support of \$600,000 in 1994 and succeeding years.

The attacks are unfounded; nevertheless, corporations have become extremely nervous making it virtually impossible to get new corporations to "\$ign on" to this event to supplant the lost funding.

The PFD voluntary checkoff is a **stop-gap measure to bridge** and provide the needed breathing room while we continue the difficult job of raising new money. (Even with a PFD checkoff the Committee will have to raise funding for 1994-95 as potential contributions from the checkoff would not be available until the following year.)

The Iditarod Trail Sled Dog Race is an Alaskan treasure. Since its inception 22 years ago, it has evolved into quite possibly the single event which focuses the eyes of the nation, and an ever-growing portion of the world, directly on the 49th state - not just for a day, *but for several weeks each year.*

The Iditarod can continue to be an avenue to promote winter tourism in Alaska. It brings in an estimated \$16 million annually to the state's economy. The ITC Board is committed to continuing the race, and strongly believe that retreating back to within state borders will have a negative effect on both the race and the state.

While the race has natural appeal as a sporting event to the public, it has taken many years of diligent effort to cultivate the level of interest in the race from the financial perspective. Funding has allowed the organizers to make many improvements in both the areas of animal care and promotion of the race and of the state.

The Iditarod will continue to be an event in Alaska. Without adequate funding, however, there will be areas which, out of necessity, will have to be curtailed. Our budget simply cannot absorb the revenue losses. What will have to go? -- first, things like national television, for example. ITC had a study done recently which estimates it would cost \$1,700,000 to purchase an equivalent amount of tourism-related advertising on television to reach the number of people reached by the Iditarod.

Individuals from around the state have expressed their support and willingness to contribute to the Iditarod through this PFD checkoff. The return on their investment will be substantial, and the cost-benefit ratio could not be accomplished without using the checkoff.

Their contributions are not to charity; they are to tourism development, the state sport, and to maintain the independence of Alaskans. We urge you to enact this measure allowing them the opportunity.

Prepared by: John Handeland/Stan Hooley

---

# Iditarod Trail Committee, Inc.

P.O. Box 870800, Wasilla, Alaska 99654 907.376.5155 telephone 907.373.6998 facsimile

---

May 8, 1994

The Honorable Loren Leman  
18<sup>th</sup> Alaska State Legislature  
State Capitol (MS-3100)  
Juneau, Alaska 99801-1182

My dear Senator Leman :

This is to ask for your support of CS HB 364(FIN)(title am) as well as to offer background information as to why the Iditarod Trail Committee, Inc. (ITC) has, at this very late date, asked you to consider such a bill.

The ever-increasing amount of negative publicity generated by various special interest groups is jeopardizing the ITC's unique ability to export Alaska to the rest of the world. We very recently learned that it is nearly certain that approximately \$600,000.00 in annual funding - approximately 60% of the ITC's race budget will be withdrawn by the races' two remaining 'outside' sponsors. This amount is over and above the \$200,000 which was lost in 1993 because of the ITC's ongoing battle with these special interest groups.

Why is it important that you are fully aware of this? Consider the following: The Iditarod has been successful in negotiating for and obtaining national and international television coverage which affords the State of Alaska and the tourism industry a tremendous amount of visibility. According to a recent study, if the State purchased tourism related television advertising to reach the number of people reached by the Iditarod telecasts, the estimated cost would be in excess of \$1.7 million. Without the proper funding this will go away. According to that same report, the annual economic impact of the Iditarod on the state's economy is approximately \$16 million.

The ITC desperately needs to find a way to survive these dramatic reductions in funding. We believe that the citizens of the State of Alaska feel very strongly about their Iditarod. We also believe that, if given the opportunity, a substantial number of individual Alaskan's will be willing to contribute \$10.00 of their permanent fund dividend to the perpetuation of their Iditarod. Lastly, we believe passage of CS HB 364(FIN)(title am) will send a strong message to the Humane Society and other special interest groups. A message that says stay home. A message that says Alaska can take care of herself.

Please consider voting 'yea' on CS HB 364(FIN)(title am). Thank you so much for your time and attention to this matter.

Sincerely yours for,

**THE IDITAROD TRAIL COMMITTEE, INC.**

A handwritten signature in black ink, appearing to read 'Stan Hooley', is written over the typed name and title.

Stan Hooley  
Executive Director

Ms. Peggy Mentele 274-9907  
324 E Cook Ave Response OP  
Anchorage 99501 Constituency C  
Affiliation Distribution 60  
Subject Date POM Sent 05/09/94  
Bill Number SB 377

IF THE IRS CHANGED TAX LAWS GOVERNING PAST YEARS, FAIR MINDED PEOPLE WOULD PROTEST. FAIR  
MINDED PEOPLE SHOULD ALSO PROTEST SB 377. THE FACT THAT SB 377 IS DIRECTED AGAINST OIL  
COMPANIES DOES NOT JUSTIFY THE BASIC UNFAIRNESS  
OF THIS LEGISLATION.

Mr. Dave Carlson 274-4905  
1310 W 32nd Ave Response OP  
Anchorage 99503 Constituency N  
Affiliation Distribution 60  
Subject Date POM Sent 05/09/94  
Bill Number SB 310

SB 310 IS A RESOURCE GIVE-AWAY OF UNPARALLELED PROPORTIONS. JOBS CREATED WILL ONLY LAST AS  
LONG AS THE TREES AND TUNDRA DAMAGE COULD BE PERMANENT. VOTE NO ON SB 310. THANK YOU.

Ms. Dianne Holmes 345-1514  
PO Box 92118 Response AM  
Anchorage 99509 Constituency N  
Affiliation Distribution 12  
Subject Date POM Sent 05/09/94  
Bill Number HB 364

THE ABILITY TO HAVE A DIVIDEND CHECK CHECK-OFF IS VERY IMPORTANT FOR MANY NON-PROFIT AND EVEN  
GOVERNMENT AGENCIES. DO NOT LIMIT THE CHECK-OFF TO TWO ORGANIZATIONS. ALLOW THEM ALL OR ALLOW  
ON A ROTATING BASIS THE ABILITY FOR US  
TO SUPPORT WORTHY CAUSES.

STATE OF ALASKA  
Boards and Commissions

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HUMAN RELATIONS COMMISSION

BOARD: Alaska Human Relations Commission

BOARD IDENTIFICATION NUMBER: 179

DEPARTMENT: OFFICE OF THE GOVERNOR

AUTHORITY: AS 44.19.600

STATUS: Active

TERM: 3 years

DESCRIPTION: 9 members appointed by the governor: 2 executive branch members and 7 public members. At least 1 public member must be a person who manages a household that includes the person's spouse and at least 1 child and who is not otherwise employed. At least 1 public member must be under the age of 21 at the time of appointment.

FUNCTION: To improve the status of women in Alaska by conducting research; by serving as a referral service for information and education that will help women avail themselves implementing recommendations on the opportunities, needs, problems, and contributions of women in Alaska. To develop a comprehensive statewide plan that identifies the needs of children and youth individually and as they relate to their families, and make recommendations to enhance their quality of life.

CHAIR: Commission elects.

SPECIAL FACTS: Quorum - majority. Annual report to the governor and the legislature by the 15th day of each regular legislative session. A member may not serve more than 6 consecutive years. Commission elects chair. Commission formed March 13, 1993, the effective date of Executive Order No. 84, combining the functions and duties of the Alaska Women's Commission and the Alaska Commission on Children and Youth.

COMPENSATION: Standard Travel and Per Diem. No additional compensation.

MEETINGS: Meets at call of the chair, at the request of majority of members, or at regularly scheduled times.

FOR FURTHER INFORMATION CONTACT: Boards and Commissions, Office of the Governor, P.O. Box 110001, Juneau, AK, 99811 0001, Phone: 907 465 3500, Fax: 907 463 3454

STATE OF ALASKA  
Boards and Commissions

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Membership Roster  
HUMAN RELATIONS COMMISSION (179)

Member	Appointed	Reappointed	Term Exp.
Sheryl L. Cowan Public P.O. Box 113181 Anchorage, AK 99511-3181	09/01/93		09/01/94
Robert W. Head Public -- Chair P.O. Box 20218 Juneau, AK 99802-0218	09/01/93		09/01/94
Aaron S. Kusano Public 1831 North Salem Drive Anchorage, AK 99508	09/01/93		09/01/95
Virginia C. Phillips Public 404 Lake Street, # 2D Sitka, AK 99835	09/01/93		09/01/95
Kari Repplinger Executive Branch Member 8790 Duran Juneau, AK 99801	09/01/93		09/01/96
Darcy Sjoblom Public 1239 Lakloey Drive North Pole, AK 99705	10/11/93		09/01/94
Steve Strube Public P.O. Box 521155 Big Lake, AK 99652	09/01/93		09/01/95
Denny A. Terry Public 350 Knudson Cove Road Ketchikan, AK 99901	09/01/93		09/01/96
Brenda H. Wilcox Executive Branch Member P.O. Box 20967 Juneau, AK 99802	09/01/93		09/01/96



A M E N D M E N T

#2

OFFERED IN THE SENATE

BY SENATOR ~~LINAN~~

TAYLOR

CSHB364(FIN)(title am)

Page 2, line 9, ADD a new subsection (c) to read:

"Notwithstanding AS 43.23.069, the Department of Revenue shall prepare the permanent fund dividend application to allow an applicant to elect to have \$10 subtracted from the applicant's dividend for contribution to the ~~organizing committee of the Arctic Winter Games~~ to be used by the committee for promotion and hosting of the 1996 games in Eagle River, and to be used by the Department of Revenue for administrative costs incurred by the department in implementing this section. Contributions shall be deposited in an ~~Arctic Winter Games~~ contribution account. In accordance with an appropriation for the purpose, the department shall use the money in the account to pay for the administrative costs incurred by the department in implementing this section. The balance in the account shall be delivered by the department to the ~~organizing committee of the Arctic Winter Games~~ at least every six months."

ALASKA Public Radio Network

APRN

APRN

Amend title if necessary.

Reletter following subsection accordingly.

✓ passed 3-0

A M E N D M E N T

#1

OFFERED IN THE SENATE

BY SENATOR LEMAN

CSHB364(FIN)(title am)

Page 2, line 9, ADD a new subsection (c) to read:

"Notwithstanding AS 43.23.069, the Department of Revenue shall prepare the permanent fund dividend application to allow an applicant to elect to have \$10 subtracted from the applicant's dividend for contribution to the organizing committee of the Arctic Winter Games to be used by the committee for promotion and hosting of the 1996 games in Eagle River, and to be used by the Department of Revenue for administrative costs incurred by the department in implementing this section. Contributions shall be deposited in an Arctic Winter Games contribution account. In accordance with an appropriation for the purpose, the department shall use the money in the account to pay for the administrative costs incurred by the department in implementing this section. The balance in the account shall be delivered by the department to the organizing committee of the Arctic Winter Games at least every six months."

Amend title if necessary.

Reletter following subsection accordingly.

✓ passed  
3-0

**WORK ORDER REQUEST FORM**

**W.O. [18] LS-1930**

KEYWORDS: UNIFORM RULES ASSIGNED: Cook

\_\_\_\_\_  
\_\_\_\_\_

REQUEST FOR: Resolution TAKEN BY: Cook

SUBJECT: Suspend UN RLS: Title Change for HB 364

REQUESTED FOR: SC SSTA BY: Portia PHONE: 465-

DELIVER TO: Sen. Leman, Cap. 115

INSTRUCTIONS: Draft resolution: title change for HB 364.

<p>OBTAIN</p>	<p>SPECIAL DRAFTING INSTRUCTIONS ATTACHED [ ] AUTHORIZED TO CONFER WITH _____ _____ RETURN _____ _____ TO REQUESTOR APPROVED: <input checked="" type="checkbox"/> DIRECTOR, LEGAL SERVICES</p>
---------------	--

<p>REVIEWED _____ IN <u>05/09/94</u> DUE <u>ASAP</u> TYPED: Draft _____ Date _____ Final _____ Date _____ PROOFED _____ DELIVERED _____</p>
---

<p>SPECIAL INSTRUCTIONS to TYPING/PROOFING _____ _____ Request for FINAL</p>
--

**HB**

**368**

# Alaska State Legislature

REPRESENTATIVE  
GENE THERRIAULT  
P O Box 55326  
North Pole, Alaska 99705  
(907) 488-0862

House District 33

Write in Juneau  
State Capitol  
Juneau, Alaska  
99801-1182  
(907) 465-4797

## House Of Representatives

### MEMORANDUM

**TO:** Senator Loren Leman, Chairman  
Senate State Affairs

**FROM:** Representative Gene Therriault 

**DATE:** February 24, 1994

**SUBJECT:** Scheduling of HB 368

---

I would like to request that HB 368, "An Act relating to the reapplication for the 1993 permanent fund dividend when the United States Postal Service documents the loss of mail during the 1993 application period; and providing for an effective date" be scheduled for a hearing before the Senate State Affairs Committee.

House Bill 368 is designed to address a problem that has come to light regarding 1993 PFD applications that were lost by the U.S. Postal Service. This bill would open a narrow window for PFD applicants by extending the reapplication period for the 1993 dividend year from September 1, 1993 to September 1, 1994. The applicant would be required to provide a sworn statement that the application was originally mailed in the postal area during the time mail from that area was lost, a sworn statement from another individual who witnessed the mailing or signed the residency verification of the original application before the 1993 deadline, and documentation from the United States Postal Service acknowledging the loss of mail entered into the mail stream during the 1993 permanent fund dividend application period.

Thank you for your consideration of my request.

# Alaska State Legislature

REPRESENTATIVE  
GENE THERRIAULT  
P O Box 55326  
North Pole, Alaska 99705  
(907) 488-0862

House District 33



Whole in June 10  
State Capitol  
Juneau, Alaska  
99801-1182  
(907) 465-4797

## House Of Representatives

HB 368 Reapplication for the 1993 permanent fund dividend when the United States Postal Service documents the loss of mail during the 1993 application period; and providing for an effective date.

SPONSOR: Rep. Gene Therriault

### SPONSOR STATEMENT:

House Bill 368 is designed to address a problem that has come to light regarding 1993 PFD applications that were lost by the U.S. Postal Service. In October of 1993 my office was contacted by numerous constituents regarding loss of their Permanent Fund Dividend applications. The PFD Division did not have record of receiving their applications, however the individuals noted mailing their applications early in January through the North Pole Post Office. After looking into this situation, my staff learned that the Postal Service had received calls in January 1993 from customers whose payments had not reached creditors. These complaints led to a U.S. Postal Inspection Service investigation which determined that an apparent loss of mail took place on January 8, 9, or 11, 1993, affecting residents in the North Pole area. A letter documenting the loss was supplied to customers for the notification of creditors.

HB 368 would open a narrow window for PFD applicants by extending the reapplication period for the 1993 dividend year from September 1, 1993 to September 1, 1994. The applicant would be required to provide a sworn statement that the application was originally mailed in the postal area during the time mail from that area was lost, a sworn statement from another individual who witnessed the mailing or signed the residency verification of the original application before the 1993 deadline, and documentation from the United States Postal Service acknowledging the loss of mail entered into the mail stream during the 1993 permanent fund dividend application period.

The PFD Division currently allows an applicant who timely filed an application that was not received by the PFD Division to reapply before September 1 of the dividend year (15 AAC 23.103 (h)). The Division has traditionally allowed reapplications, however 1993 was the first year the deadline was established. Although PFD applicants received batch cards that verify receipt of their application, a number of individuals did not expect to receive a batch card last year due to the new direct deposit method of payment and therefore did not get notice of a problem until it was too late.

An extension to this deadline is needed for the 1993 reapplication period due to this loss of mail at the North Pole Post Office and the new deadline for reapplying for the dividend. My staff and I have worked with the PFD Division within the Department of Revenue to draft the language of HB 368 to solve this problem without throwing the reapplication period wide open.

# FISCAL NOTE

STATE OF ALASKA  
1994 LEGISLATIVE SESSION

BILL NO. HB 368

Revision Date:		Dept. Affected:	Revenue
Title:	Reapplication Period For 1993 PF Dividend	BRU:	Permanent Fund Dividend
Sponsor:	THERRIAULT, James, Pamell, Vezey	Component:	Permanent Fund Dividend
Requestor:	House State Affairs	COMPONENT SERIAL NO.	981

**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						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	-0-	-0-	-0-	-0-	-0-	-0-

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

REVENUE FUND SOURCE:	-0-	-0-	-0-	-0-	-0-	-0-
----------------------	-----	-----	-----	-----	-----	-----

**FUNDING:** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	-0-	-0-	-0-	-0-	-0-	-0-

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

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

**ANALYSIS:**

The Department has historically opposed any broad based reopening of an application period. However, since this legislation deals with the re-submission of applications that were allegedly originally filed timely but not received by the Department due to strictly defined circumstances, the Department's position on this legislation is *neutral*. This legislation is expected to affect 40 - 50 1993 applicants, many of whom have already submitted a late request-to-reapply. Consequently, the Department does not expect to receive a large number of additional reapplications and should be able to process all anticipated reapplications within its current budget. This legislation may result in an unanticipated large number of applicants. If so, a supplemental may be requested.

Prepared by:	Thomas C. Williams	Phone: 465-2323
Division:	Permanent Fund Dividend	Date: 01/20/94
Approved by Commissioner:		Date: 1/20/94
Agency:	Department of Revenue	

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United States  
Postal Service

February 5, 1993

SUBJECT: LOST MAIL

To Whom It May Concern:

The U.S. Postal Inspection Service and the Fairbanks Post Office are investigating the apparent loss of a considerable amount of mail that was entered into the mailstream on January 8, 9 and 11, 1993. This loss was brought to our attention when the Post Office began receiving calls from customers whose payments had not reached the creditors.

We do not know the extent of the loss or the number of customers affected at this time. We ask that those creditors whose customers mailed their payments during this time,

JANUARY 8TH, 9TH OR 11, 1993,

take this into consideration when reviewing their accounts.

If you have questions about this matter, you may contact our office in North Pole. The phone number is (907) 488-2896.

Sincerely,

J. C. Thomas  
Postmaster  
U. S. Postal Service  
5400 Mail Trail  
Fairbanks, AK 99709-9998

JCT:gg

STATE OF ALASKA  
THE LEGISLATURE

POUCH Y - STATE CAPITOL  
JUNEAU, ALASKA 99811  
907.465.3800

LEGISLATIVE AFFAIRS AGENCY  
LEGISLATIVE REFERENCE LIBRARY

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS database CMPR. In order to save space copies of minutes have not been left in the files.

Mary Van Nimwegen

HB 362

**HB**

**400**

## Alaska State Legislature

WHILE IN SESSION:  
CAPITOL BUILDING  
JUNEAU, ALASKA 99801-1182  
(907) 485-4931  
(907) 485-4318 FAX

INTERIM ADDRESS:  
718 WEST 4TH AVENUE  
ANCHORAGE, ALASKA 99501  
(907) 258-8198  
(907) 258-8171 FAX

DISTRICT 10



CHAIR, OIL & GAS COMMITTEE  
VICE CHAIR, LABOR & COMMERCE  
COMMITTEE  
JUDICIARY COMMITTEE  
RESOURCES COMMITTEE  
INTERNATIONAL TRADE & TOURISM  
COMMITTEE

ECONOMIC TASK FORCE

### Representative Joe Green SPONSOR STATEMENT HB 400

This bill addresses a serious problem with the number of appeals filed after a person is denied a Permanent Fund Dividend, and the length of time that it takes to process those appeals. As of January 1, 1994 there were 9,579 appeals pending, the highest number since the PFD program's inception. One District 10 resident is still waiting to be heard 18 months after filing, and there are people who have waited longer for their appeals to be processed and resolved. Processing such a large number of appeals is very costly, and the time delays are unfair to those people who have a legitimate claim. Currently there are 10 permanent, full time employees in The Permanent Fund Division and three appeals officers in the commissioners office working on processing the appeals, yet there are still almost 10,000 appeals pending, with no end in sight. Part of the problem is that it only costs a 29 cent stamp to file an appeal. Many people who are clearly unqualified protest their denial simply because they have the opportunity to do so at no cost or risk to themselves. This year's denial rate is 64% and in previous years the percentage rate of denials has been significantly higher.

HB 400 would implement a \$25 filing fee for individuals protesting the denial of their PFD application (the department will adopt a regulation to allow an indigent individual to be exempt from the fee. The filing fee would be refundable if their appeal is successful, and non-refundable if the denial is not overturned. It is anticipated that implementation of a filing fee would discourage clearly unqualified individuals from appealing, thereby reducing costs which are deducted from the amount of the dividend, and making the appeal process shorter for legitimate claims.

**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**

February 2, 1994

**SUBJECT:** Administrative proceedings involving permanent fund dividends  
(HB 400)

**TO:** Representative Joe Green

**FROM:** Tamara Brandt Cook  
Director

Here is the sectional summary you requested.

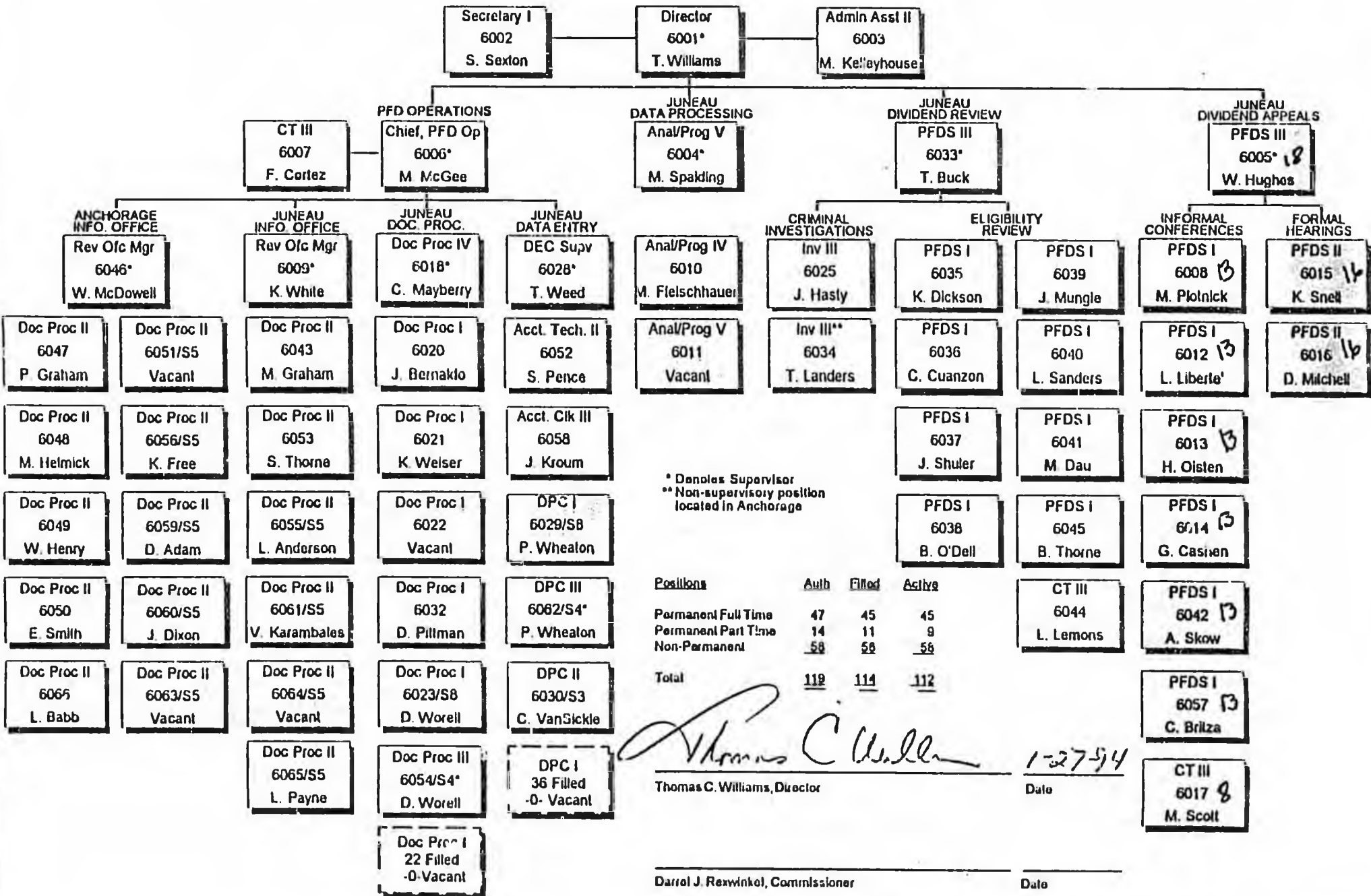
Sec. 1. Adds a requirement that an individual pay a \$25 review fee to the Department of Revenue if the individual requests the department to review its decision regarding the individual's eligibility for a permanent fund dividend or authority to claim a dividend on behalf of another. If the individual prevails, either at the administrative level or on appeal, the review fee must be returned to the individual.

TBC:gc  
94-078.glc

ALASKA DEPARTMENT OF REVENUE  
PERMANENT FUND DIVIDEND DIVISION

**ORGANIZATION CHART**

January 18, 1994



\* Denotes Supervisor  
\*\* Non-supervisory position located in Anchorage

Positions	Auth	Filled	Active
Permanent Full Time	47	45	45
Permanent Part Time	14	11	9
Non-Permanent	58	58	58
<b>Total</b>	<b>119</b>	<b>114</b>	<b>112</b>

*Thomas C. Williams*  
Thomas C. Williams, Director  
Date: 1-27-94

Darrel J. Reswinkel, Commissioner  
Date:

# FISCAL NOTE

**STATE OF ALASKA**  
**1994 LEGISLATIVE SESSION**

**BILL NO. HB 400**

Revision Date:	03-10-94	Dept. Affected:	Revenue
Title:	PFD Administrative Proceedings	BRU:	Permanent Fund Dividend
Sponsor:	Rep. GREEN	Component:	Permanent Fund Dividend
Requestor:	House Finance Committee	COMPONENT SERIAL NO.	0 8 1

**Expenditures/Revenues:**

(Thousands of Dollars)

OPERATING	FY95	FY96	FY97	FY98	FY99	FY00
PERSONAL SERVICES	-0-	(7.9)	(52.7)	(187.1)	(187.1)	(187.1)
TRAVEL	-0-	-0-	-0-	-0-	-0-	-0-
CONTRACTUAL	7.5	(86.6)	(86.6)	(86.6)	(86.6)	(86.6)
SUPPLIES	-0-	-0-	-0-	-0-	-0-	-0-
EQUIPMENT	-0-	-0-	-0-	-0-	-0-	-0-
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>7.5</b>	<b>(94.5)</b>	<b>(139.3)</b>	<b>(273.7)</b>	<b>(273.7)</b>	<b>(273.7)</b>
<b>CAPITAL</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>
<b>REVENUE FUND SOURCE: 1050</b>	<b>121.8</b>	<b>121.8</b>	<b>129.0</b>	<b>129.0</b>	<b>129.0</b>	<b>129.0</b>

**FUNDING:**

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other (Dividend Fund 1050)	7.5	(94.5)	(139.3)	(273.7)	(273.7)	(273.7)
<b>TOTAL</b>	<b>7.5</b>	<b>(94.5)</b>	<b>(139.3)</b>	<b>(273.7)</b>	<b>(273.7)</b>	<b>(273.7)</b>

**POSITIONS:**

FULL-TIME			(1)	(4)	(4)	(4)
PART-TIME						
TEMPORARY						

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

**ANALYSIS:**

See Pages 2 through 4, as well as the attachments.

Prepared by: Thomas C. Williams  
 Division: Permanent Fund Dividend  
 Approved by Commissioner: [Signature]  
 Agency: Department of Revenue

Phone: 465-2323  
 Date: 03-10-94  
 Date: 3/10/94

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ALASKA DEPARTMENT OF REVENUE  
PERMANENT FUND DIVIDEND DIVISION  
**ANALYSIS OF HB 400**  
As of March 10, 1994

**Assumptions**

- A. This Legislation would be effective in FY95.
- B. 55% of all appeals received involve bright line issues and 45% of all appeals received involve non-bright line issues. Bright line issues are those that are clearly definable by objective criteria, such as whether an individual was physically present in state during the two previous calendar years or met an application deadline. Non-bright line issues are those that involve issues that are more subjective, such as whether an individual demonstrated an intent to return to Alaska.
- C. The addition of a fee will mean some of those individuals whose denial involved a bright line issue as well as some of those individuals whose denial involved a non-bright line issue will not appeal.
- D. The Department would adopt regulations to:
1. allow an indigent individual to be exempt from the fee and outline the specific requirements for qualifying for such an exemption;
  2. require payment of the fee by checks or money orders only (no cash payments);
  3. consider any appeal to be invalid if
    - a. the appeal was not accompanied by the fee;
    - b. an insufficient amount was submitted;
    - c. accompanied by a cash payment; or
    - d. which the check was returned for non-sufficient funds; and
  4. make it clear that the Department would not issue receipts over the counter;
- E. The PFD Division would continue to receive the vast majority of appeals and the associated fees in the mail. The Anchorage and Juneau Dividend Information Offices would receive and accept a relatively small number of appeals and the associated fees across the counter. The Information Offices would forward all appeals and fees to the Dividend Appeals unit for processing;
- F. The PFD Masterfile Computer System would be modified:
1. adding a field to indicate whether the applicant was exempt from the fee as the result of indigence or if not exempt whether the fee actually accompanied the appeal;

ALASKA DEPARTMENT OF REVENUE  
PERMANENT FUND DIVIDEND DIVISION

ANALYSIS OF HB 400

As of March 10, 1994

2. to send a redesigned computer generated appeal receipt letter not only advising the applicant that their appeal has been received, but whether a required fee in the appropriate amount was included. If the fee was not included or the amount was less than the required fee, the receipt letter would advise an applicant that the appeal would not be valid unless the Department received the additional amount within 30 days of the date of the notice. It would also advise the applicant that if they did not send in the additional amount or request in writing a return of the insufficient amount within 30 days of the date of the notice that the fee would be forfeited. If an appellant's check was returned for non-sufficient funds, the Department would send the appellant a notice advising an applicant that the appeal would be invalidated unless the Department received the additional amount within 30 days of the date of the notice.
  3. automatically refund fees when an appeal decision overturned the original denial; and
  4. produce a daily reconciliation report for fee receipts.
- G. Necessary data processing programming updates to the PFD System Masterfile would require approximately 3 weeks work at a contractual services cost estimated to not exceed \$7,500 in FY95.
- H. Additional data entry and fee processing could be accomplished by current staff, since with the adoption of the appeal fee requirement the total number of appeals received is expected to decline.
- I. See the attachments for the assumptions regarding the number of appeals to be received and the required staffing levels. If these assumptions are correct then:
1. In FY96 one PFDS II could be reallocated to a PFDS I resulting in a savings of \$7.9. In FY97 a PFDS I position could be eliminated for an additional savings of \$44.8. Starting in FY98 three more PFDS I positions could be eliminated for an additional savings of \$134.4.
  2. Starting in FY96 funding for one Formal Hearing Officer in the Commissioner's Office could be eliminated.
- J. To the extent that the number of appeals does not decline as projected, staffing levels could not be reduced as reflected. Similarly, to the extent that the number of appeals declines more than projected, staffing levels might be able to be reduced more than the amount reflected.

ALASKA DEPARTMENT OF REVENUE  
PERMANENT FUND DIVIDEND DIVISION

**ANALYSIS OF HB 400**

As of March 10, 1994

Attachments: *Projected Revenues Resulting From HB 400*  
*Projected Inventory Resulting Form HB 400*  
*FY91 - FY94 Appeals Statistics*  
*Appeal Status Summary Report*  
*Age of Unresolved Appeals*

ALASKA DEPARTMENT OF REVENUE  
 PERMANENT FUND DIVIDEND DIVISION  
**PROJECTED REVENUES RESULTING FROM HB 400**

As of March 10, 1994

	<u>FY 94</u>		<u>FY95</u>	<u>FY96</u>	<u>FY97</u>	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>
	<u>7 Mos</u>	<u>Annualized</u>						
<b><u>Informal Conference Appeals</u></b>								
Beginning Appeal Inventory	7,974	7,974						
Appeals Received without a fee	6,339	9,339	8,500	8,000	8,000	8,000	8,000	8,000
Decisions Issued	4,545	7,791						
Ending Appeal Inventory	9,768	9,522						
Bright Line Issue Appeals Received without a fee (55%)	3,486	5,136	4,675	4,400	4,400	4,400	4,400	4,400
Non-Bright Line Issue Appeals Received (45%)	2,853	4,203	3,825	3,600	3,600	3,600	3,600	3,600
Bright Line Issue Appeals with Fee (50% of those without a fee)			2,338	2,200	2,200	2,200	2,200	2,200
Non-Bright Line Issue Appeals with Fee (85% of those without a fee)			3,251	3,060	3,060	3,060	3,060	3,060
Total Appeals with Fee			5,589	5,260	5,260	5,260	5,260	5,260
Amount Collected			\$139,725	\$131,500	\$131,500	\$131,500	\$131,500	\$131,500
Projected Overturn Rate	35%	30%	20%	15%	10%	10%	10%	10%
Amount Refunded			\$27,950	\$19,725	\$13,150	\$13,150	\$13,150	\$13,150
Amount Retained at Informal before Formal Overturns			<u>\$111,775</u>	<u>\$111,775</u>	<u>\$118,350</u>	<u>\$118,350</u>	<u>\$118,350</u>	<u>\$118,350</u>
<b><u>Formal Hearing Appeals</u></b>								
Projected Appeal Rate with fee		16%	10%	10%	10%	10%	10%	10%
Beginning Appeal Inventory	978	978						
Appeals Received	749	1,284	447	447	473	473	473	473
Decisions Issued	698	1,197						
Ending Appeal Inventory	1,029	1,065						
Amount Collected			\$11,175	\$11,175	\$11,825	\$11,825	\$11,825	\$11,825
Projected Overturn Rate	11%	8%	5%	5%	5%	5%	5%	5%
Amount of Formal Hearing Fee Refunded			\$550	\$550	\$600	\$600	\$600	\$600
Amount of Related Informal Conference Fee Refunded			\$550	\$550	\$600	\$600	\$600	\$600
Amount Retained at Formal			<u>\$10,625</u>	<u>\$10,625</u>	<u>\$11,225</u>	<u>\$11,225</u>	<u>\$11,225</u>	<u>\$11,225</u>
<b><u>Net Retained</u></b>			<u>\$121,850</u>	<u>\$121,850</u>	<u>\$128,975</u>	<u>\$128,975</u>	<u>\$128,975</u>	<u>\$128,975</u>

ALASKA DEPARTMENT OF REVENUE  
 PERMANENT FUND DIVIDEND DIVISION  
PROJECTED INVENTORY RESULTING FROM HB 400

As of March 10, 1994

	<u>FY94(A)</u>	<u>FY95</u>	<u>FY96</u>	<u>FY97</u>	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>
<b><u>Informal Conference Appeals</u></b>							
Beginning Appeal Inventory	9,768	9,522	7,111	3,371	631	891	1,151
Total New Appeals	3,000	5,589	5,260	5,260	5,260	5,260	5,260
Total Resolutions	<u>(3,246)</u>	<u>(8,000)</u>	<u>(9,000)</u>	<u>(8,000)</u>	<u>(5,000)</u>	<u>(5,000)</u>	<u>(5,000)</u>
Ending Inventory	<u>9,522</u>	<u>7,111</u>	<u>3,371</u>	<u>631</u>	<u>891</u>	<u>1,151</u>	<u>1,411</u>
<b><u>Formal Hearing Appeals</u></b>							
Beginning Appeal Inventory	978	1,014	261	108	0	0	0
Total New Appeals	535	447	447	473	473	473	473
Total Resolutions	<u>(499)</u>	<u>(1,200)</u>	<u>(600)</u>	<u>(581)</u>	<u>(473)</u>	<u>(473)</u>	<u>(473)</u>
Ending Inventory	<u>1,014</u>	<u>261</u>	<u>108</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b><u>Staffing Levels</u></b>							
Permanent Fund Dividend Division							
Informal Conference Staff	6	6	7	6	3	3	3
Formal Hearing Staff	2	2	1	1	1	1	1
Total Permanent Fund Dividend Division Staff	<u>8</u>	<u>8</u>	<u>8</u>	<u>7</u>	<u>4</u>	<u>4</u>	<u>4</u>
Commissioner's Office Formal Hearing Staff funded by PFD Division	2	2	1	1	1	1	1

(A) Beginning Inventory for FY94 is as of February 1, 1994

ALASKA DEPARTMENT OF REVENUE  
 PERMANENT FUND DIVIDEND DIVISION  
FY91 - FY94 APPEAL STATISTICS  
 Through February 1, 1994

	<u>FY 94</u>	<u>FY 93</u>	<u>FY 92</u>	<u>FY 91</u>
<u>Informal Conference Appeals</u>				
Decisions Issued	4,545	9,337	4,912	4,625
Denials Overturned	1,598	2,309	1,859	1,378
Overturn Rate	35%	25%	38%	30%
Ending Appeal Inventory	9,768	7,974	7,679	5,167
Age of Oldest Appeal in Inventory in Months	29	20	19	15
<u>Formal Hearing Appeals</u>				
Decisions Issued	698	1,031	712	433
Denials Overturned	74	51	128	61
Overturn Rate	11%	5%	18%	14%
Ending Appeal Inventory	1,029	978	334	610
Age of Oldest Appeal in Inventory in Months	15	7	12	8

Notes

The relatively high informal conference overturn rate for the first seven months of FY94 is the result of:

1. applicants incorrectly answering questions on the revised 1993 Adult Supplemental Schedule, such as those pertaining to motor vehicle exemptions and out-of-state employment;
2. a question on the revised 1993 Adult Supplemental Schedule regarding fish and game licenses which needed to be more specific (this has been corrected on the 1994 Adult Supplemental Schedule);
3. a refinement of the working out-of-state policy which allowed a number of previously issued denials to be overturned; and
4. the PFD Division's efforts to resolve obvious errors as quickly as possible, artificially inflating the overturn rate during the first half of the fiscal year.

The 15 month old formal hearing appeal in FY94 relates to an appeal placed on hold pending the decision of the Superior Court in a related case.

ALASKA DEPARTMENT OF REVENUE  
PERMANENT FUND DIVIDEND PROGRAM  
APPEAL STATUS SUMMARY  
(A-1) REVENUE

## APPLICATION YEAR

APPEAL STATUS	TOTAL	1993	1992	1991	1990	1989	1988	1987	1986	1985	1984	1983	1982
INFORMAL	9,768	5,590	3,185	569	250	105	43	22	3	1	0	0	0
PENDING AT INFORMAL	0	0	0	0	0	0	0	0	0	0	0	0	0
FORMAL	312	29	56	109	51	36	15	10	3	1	1	0	1
FORMAL HEARING HELD	495	7	102	191	104	43	17	9	2	2	2	2	3
MOTION TO DISMISS	219	16	50	54	36	28	8	6	5	4	4	4	4
RECONSIDERATION	0	0	0	0	0	0	0	0	0	0	0	0	0
SUPERIOR COURT	94	0	5	12	19	22	10	7	7	6	3	1	2
SUPREME COURT	1	0	0	0	0	0	0	1	0	0	0	0	0
TOTAL UNRESOLVED	10,889	5,642	3,398	935	460	234	93	59	27	14	10	7	10
INFORMAL	11,893	734	1,120	1,059	405	213	140	349	530	318	2,863	1,991	2,171
DEPARTMENT FORMAL WITHDRAWAL	549	3	89	127	54	33	18	26	56	17	56	35	35
FORMAL	298	0	16	35	46	41	15	23	10	4	43	21	44
SUPERIOR COURT	8	0	0	0	3	4	0	0	0	0	0	0	1
SUPREME COURT	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL RESOLVED WITH DENIAL OVERTURNED	12,748	737	1,225	1,221	508	291	173	398	596	339	2,962	2,047	2,251
LATE APPEAL	624	0	0	0	0	0	0	0	0	105	239	132	148
INFORMAL	20,480	560	1,495	2,906	3,334	2,055	2,065	1,048	2,553	1,296	1,740	594	754
FORMAL	4,326	5	313	431	636	586	669	414	440	251	225	165	191
SUPERIOR COURT	143	0	0	1	6	14	34	26	20	12	11	10	7
SUPREME COURT	5	0	0	0	0	0	0	0	0	2	0	0	3
TOTAL RESOLVED WITH DENIAL UPHELD	25,576	565	1,808	3,418	3,976	2,655	2,770	1,488	3,013	1,666	2,215	901	1,103
TOTAL APPEAL	49,215	6,944	6,431	5,574	4,944	3,180	3,036	1,945	3,636	2,019	5,187	2,955	3,364
VALID APPEAL CODES	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL RECORDS WITH APPEAL STATUS	49,215	6,944	6,431	5,574	4,944	3,180	3,036	1,945	3,636	2,019	5,187	2,955	3,364

ALASKA DEPARTMENT OF REVENUE  
PERMANENT FUND DIVIDEND PROGRAM  
AGE OF UNRESOLVED APPEALS  
(A-R4) BREEN200

AGE OF UNRESOLVED INFORMAL CONFERENCE APPEALS

INFORMAL CONFERENCE APPEALS

AGE OF APPEAL	TOTAL	1993	1992	1991	1990	1982-89
OVER 12 MONTHS	2,636	0	2,220	305	52	59
9 TO 12 MONTHS	1,109	0	737	165	136	71
6 TO 9 MONTHS	1,154	879	128	70	37	30
3 TO 6 MONTHS	1,903	1,846	20	7	3	7
LESS THAN 3 MONTHS	2,975	2,844	80	22	22	7
TOTAL UNRESOLVED INFORMAL CONFERENCE APPEALS	9,767	5,569	3,185	569	250	174

AGE OF UNRESOLVED FORMAL HEARING AND COURT APPEALS

FORMAL HEARING AND COURT APPEALS

AGE OF APPEAL	TOTAL	1993	1992	1991	1990	1982-89
OVER 12 MONTHS	19	0	5	4	4	6
9 TO 12 MONTHS	12	0	1	1	1	9
6 TO 9 MONTHS	56	0	11	11	13	21
3 TO 6 MONTHS	328	6	83	122	58	59
LESS THAN 3 MONTHS	611	46	108	216	115	126
TOTAL UNRESOLVED FORMAL HEARING AND COURT APPEALS	1,026	52	208	354	191	221

RECORDS WITH INVALID APPEAL DATES 1

**HB**

**402**

# HOUSE LABOR AND COMMERCE COMMITTEE

ALASKA STATE LEGISLATURE

STATE CAPITOL, JUNEAU, AK 99801-1182

(907) 465-4954



## MEMORANDUM

March 23, 1994

TO: Senator Loren Leman, Chair  
Senate State Affairs Committee

FROM: Representative Bill Hudson, Chair  
House Labor & Commerce Committee

SUBJECT: House Bill 402. motor vehicle liability insurance

I would appreciate your scheduling HB 402 for a hearing before your committee. The House Labor and Commerce Committee introduced HB 402, which deals with proof of financial responsibility filings for SR 22 drivers, at the request of the Alaska Independent Insurance Agents and Brokers, Inc.

In 1989, the Alaska State Legislature amended the definition of "proof of financial responsibility" regarding the SR-22 filing. (SR-22 filing in many cases is needed for drivers who have been convicted of DWI's, reckless driving, and the like.) Under current law, an SR-22 or "at risk" driver can drive more vehicles and has more coverage than a driver holding a personal auto insurance policy. All they are required to show is that they have insurance; they are not required to report any vehicles added to this policy. This, in effect, gives an advantage to an "at risk" driver over a good driver who has personal auto insurance. The current requirements of SR-22 filing have also made insurance companies reluctant to write coverage in Alaska due to this unreasonable requirement.

House Bill 402 seeks to correct the definition of "proof of financial responsibility" so that all drivers receive equal treatment. Current law places responsibility on the insurance company that exceeds what they must provide for drivers with clean records who do not need the SR-22 filing. House Bill 402 provides that insurance companies will be informed as to what vehicles they are insuring so that they are more able to evaluate the risks.

WALTER J. HICKEL, GOVERNOR

DEPARTMENT OF COMMERCE AND  
ECONOMIC DEVELOPMENT

DIVISION OF INSURANCE

P.O. BOX 110805  
JUNEAU ALASKA 99811-0805  
PHONE (907) 465-2515

January 18, 1994

The Honorable Bill Hudson  
Alaska House of Representatives  
State Capitol, Room 108  
Juneau, Alaska 99801-1182

Dear Representative Hudson:

Re: SR-22

The current rules for SR-22 filings is that the certification made by the insurer issuing the filing certifies coverage for any vehicle driven by the person named whether owned or non-owned. This has caused some difficulties with insurers not willing to be exposed to those vehicles identified in the filing. In particular, insurers are concerned with those vehicles owned by the insured but not declared thus exposing the insurer to vehicles for which a premium is not received. This is to some extent within the control of the insurer through its underwriting of the business it is writing. This in fact is the kind of situation that underlies the current rule.

There have been cases where a person on whose behalf an SR-22 has been filed, has driven an uninsured vehicle owner by that person, injured someone, and no coverage was provided. Most states do not allow this kind of situation to occur, which is the state of the current rule. Alaska has a further extension of coverage which causes a problem. That is the extension of the coverage under the SR-22 to a commercial vehicle, particularly larger vehicles. The Division of Insurance supports a revision to the SR-22 requirements that would make a distinction for such vehicles. We agree that extension of coverage to an uninsured commercial tractor trailer unit is inappropriate and would be pleased to work with you to revise the law to reflect that situation.

Very truly yours,



David Walsh  
Director

# FISCAL NOTE

**STATE OF ALASKA**  
**1994 LEGISLATIVE SESSION**

BIL O: No. 1  
 Bill Version: HB 402  
 (H) Publish Date: 3/9/94

Revision Date: \_\_\_\_\_ Dept. Affected: Public Safety  
 Title: "An Act requiring that an owner's motor vehicle liability insurance policy..." BRU: Motor Vehicles  
 Sponsor: H. Labor & Commerce Component: Driver Services  
 Requestor: H. STA COMPONENT SERIAL NO. 500

**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						
<b>TOTAL OPERATING</b>	-0-	-0-	-0-	-0-	-0-	-0-
<b>CAPITAL EXPENDITURES</b>	-0-	-0-	-0-	-0-	-0-	-0-
<b>CHANGE IN REVENUES ( )</b>	-0-	-0-	-0-	-0-	-0-	-0-
<small>Revenue Code</small>						

**FUNDING: (Thousands of Dollars)**

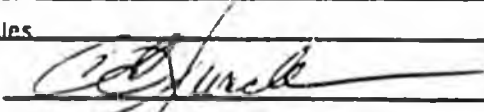
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	-0-	-0-	-0-	-0-	-0-	-0-

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

**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: Nita Hensley Phone: 465-4361  
 Division: Motor Vehicles Date: 02/28/94  
 Approved by Commissioner:  Date: 02/28/94  
 Agency: Richard J. Burton, Dept. of Public Safety

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FISCAL NOTE

STATE OF ALASKA  
1994 LEGISLATIVE SESSION

No. 2  
Bill Version: HB 401  
(H) Publish Date: 3/9/94

Revision Date: \_\_\_\_\_  
Title: Proof of Motor Vehicle Insurance  
Sponsor: House Labor & Commerce Committee  
Requestor: \_\_\_\_\_

Department Affected: Commerce and Economic Development  
BRU: Insurance  
Component: Operations

COMPONENT SERIAL NO. 354

Expenditures/Revenues:

OPERATING EXPENDITURES	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
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
<b>TOTAL OPERATING</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>CAPITAL EXPENDITURES</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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<b>CHANGE IN REVENUES ( )</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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FUND SOURCE

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
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Estimate of 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.)

No fiscal impact.

Prepared by: Joan Brown, Administrative Officer  
Division: Insurance

Phone: 465-2597  
Date: 1/28/94

Approved by Commissioner: Paul Fuhs  
Agency: Commerce and Economic Development

Date: 1-31-94

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# FISCAL NOTE

STATE OF ALASKA

BILL NO. HB402

**1994 LEGISLATIVE SESSION**

Revision Date: Original Dept Affected: Natural Resources  
 Title: "An Act requiring that an owner's motor vehicle liability insurance policy used as proof of financial responsibility..." BRU: Management & Administration  
 Component: Commissioner's Office  
 Sponsor: Labor & Commerce  
 Requestor: Labor & Commerce Component Serial No. 423

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY95	FY96	FY97	FY98	FY99	FY00
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	0.0	0.0	0.0	0.0	0.0	0.0
<b>CAPITAL EXPENDITURES</b>	0.0	0.0	0.0	0.0	0.0	0.0
<b>CHANGE IN REVENUES ( )</b>	0.0	0.0	0.0	0.0	0.0	0.0

FUND SOURCE (Thousands of Dollars)

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

Estimate of any current year (FY94) cost: \$ None

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)

The Department of Natural Resources will not be impacted, fiscally or otherwise, by this bill.

Prepared by: Jerry Gallagher, Legislative Liaison Phone: 465-2400  
 Division: Commissioner's Office Date: 1-Feb-94  
 Approved by Commissioner: Harry A. Noah Date: 1-Feb-94  
 Agency: Natural Resources

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**HB**

**417**

ANCHORAGE SCHOOL DISTRICT  
ANCHORAGE, ALASKA

ASD MEMORANDUM #489 (92-93)

June 23, 1993

TO: SCHOOL BOARD

FROM: OFFICE OF THE SUPERINTENDENT

SUBJECT: SECONDARY SCHOOL SUSPENSION REPORT FOR THE 1992-  
93 SCHOOL YEAR~~WEAPONRY~~PERTINENT FACTS:

A summary of the suspension rates for the 1992-93 school year is attached as Attachment A. This document shows cumulative suspensions by category in the chart at the top of the page. Suspensions by school are shown on the chart on the bottom half of the page.

The overall suspension rate for this year compared to last year is essentially unchanged. Secondary student population increased by approximately 3.6 percent and the total number of suspensions is up by 3.5 percent. There is some variation in rates by category, however, most changes fall within the normal variations between years. Drug and alcohol suspensions remain constant at 25 percent of their peak in the mid 1980's. Fighting and weapon related suspensions are up 1,060 to 1,171 and 96 to 106 respectively. Vandalism and false fire alarms are down 66 to 31 and 11 to 3 respectively. At the same time, suspensions caused by refusal to cooperate with alternatives to suspension dropped from 650 to 413. Willful disobedience increased from 232 to 304 suspensions for the year.

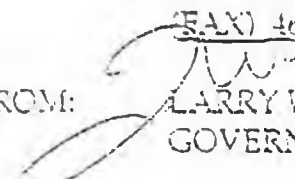
Suspensions related to weapons have continued to increase even though they remain a small percentage of the total number of suspensions. A total of 106 suspensions for all types of weapons were reported for the year compared to 96 in 1991-92 and 69 in 1990-91. This is due, in part, to increased attention paid to the problem. Suspensions related specifically to guns reached a total of 26 this year for various degrees of involvement in these incidents. A total of thirteen students were expelled for gun related incidents. An additional eight students attended the Conflict Resolution pilot at REACH for serious weapons related incidents. The status of the weapons issue should continue to be judged as serious but is stable at this time. No gang related incidents other than graffiti were reported by the schools

ANCHORAGE SCHOOL DISTRICT  
ANCHORAGE, ALASKA

LEGISLATIVE INFORMATION REQUEST

JANUARY 25, 1994

TO: REPRESENTATIVE CON BUNDE  
C/O PATTI SWENSON  
(FAX) 464-3871

FROM:  LARRY WIGET, DIRECTOR  
GOVERNMENT RELATIONS/LEGISLATIVE LIAISON

SUBJECT: ASD SUSPENSIONS / WEAPONS INCIDENTS: 1993

Per our conversation relating to weapon incidents in the Anchorage School District, I am attaching the following documents:

ASD Memorandum #486 (92-93): Suspension Report - Elementary  
ASD Memorandum #489(92-93): Secondary School Suspension Report  
for the 1992-93 School Year.

Elementary

Elementary students suspended during 1992-93 for weapons violations was one. In the "other" category, which includes such things as bringing knives to school, setting off fire alarms, racial slurs, rude gestures, pushing and hitting staff members, stealing, and making threatening remarks, 36 students were suspended.

The statistics for the 93-94 school year are currently being compiled and will be forwarded to you when available.

Secondary

A total of 106 suspensions for all types of weapons were reported for the year compared to 96 in 1991-92 and 69 in 1990-91. Suspensions related specifically to guns reached a total of 26 this year for various degrees of involvement in these incidents. A total of thirteen students were expelled for gun related incidents.

There were 10 firearm incidents, and 32 weapons incidents for the first quarter of the 1993-94 school year.

Enclosures

ANCHORAGE SCHOOL DISTRICT  
ANCHORAGE, ALASKA

MEMORANDUM

December 1, 1992

TO: BOB CHRISTAL  
ACTING SUPERINTENDENT

FROM: BILL MELL, EXECUTIVE DIRECTOR  
SECONDARY EDUCATION

SUBJECT: WEAPONS INCIDENTS - FIRST QUARTER, 1992

The rate of incidents is up over the past two school years. The level of concern at schools has not returned to the early level exhibited in 1990. That is attributed to the schools acting quickly on information received. There have been no gang related incidents except for the neo nazi confrontation at Service. The outcomes for the students in that incident is attached as a separate memo.

Given the growth in violence related incidents and the sharp drop in drug and alcohol suspension, the Secondary Division is preparing a proposal for providing alternatives to suspension and expulsion for students involved with weapons or gangs using existing program staff. The proposal will be ready for review by December 18, 1992.

A District-wide review of weapons, firearms and gang related incidents is summarized in the chart below.

First Quarter Incident Frequency Chart  
December 1, 1992

Year	Weapons Other than Firearms	Firearms	Gang Related Incidents
1990-91	5	0	0
1991-92	11	5	0
1992-93	15	8	1

\*Service neo nazi incident

Attachment, Service memo

Post-It™ brand fax transmittal memo 7671 # of pages 2

To	Patti Swenson	From	ZARA WISER
Co.		Co.	ASD
Dept.		Phone #	269-2255
Fax #	465-3871	Fax #	269-2107

WEAPONS AND VIOLENCE RELATED SUSPENSIONS  
 Incident Report 2nd Quarter 1991-1994

Category	1991-92	1992-93	1993-94
Firearms	0	0	3
Weapons	20	39	36
Gang Related	0	0	16
Fighting	238	266	267

INCIDENT REPORT 1993-94  
 QUARTER 1 & 2

Category	Quarter 1	Quarter 2
Firearms	10	3
Weapons	32	36
Gang Related	5	16
Fighting	364	267

# From fistfights to gunfights

For educational excellence to be achieved, schools must be safe and hospitable places for teachers and students. Yet, in an ever-increasing number of our schools, students and teachers are expected to endure violence, fear and intimidation on a daily basis.

Violence within the schools of America has increased dramatically over the past decade and continues to escalate at an alarming rate. Gang encroachment, drug and alcohol abuse, poverty, child abuse and neglect, overcrowded classrooms and lack of parental supervision and discipline have rendered the once "safe harbor" of the classroom a microcosm of today's social ills.

In a case heard by the U.S. Supreme Court, *New Jersey v. T.L.O.*, Justice Powell commented on the growing problem of violence in schools. He wrote:

Without first establishing discipline and maintaining order, teachers cannot begin to educate their students. And apart from education, the school has the obligation to protect pupils from mistreatment by other children, and also to protect teachers themselves from violence by the few students whose conduct in recent years has promoted national concern.

Most people equate school violence with large urban areas such as New York, Chicago or Los Angeles. While there has been ample reporting of the violence plaguing big-city schools, violence has invaded suburban and rural schools with little notice by the national media.

A bill introduced into the House of Representatives of the U.S. Congress (H.R. 4538, "Classroom Safety Act of 1992") summarized the rising tide of violence in America's schools thusly:

Nearly 3,000,000 crimes occur on or

near school campuses every year;

- One fourth of the major school districts now use metal detectors in an attempt to reduce the number of weapons introduced into the schools by students;
- Twenty percent of teachers in schools have reported being threatened with violence by a student;
- The despair brought on by poverty and disenfranchisement that affects millions of our youth is rapidly entering the schools;
- Schools are being asked to take on responsibilities that society as a whole has neglected, forcing teachers to referee fights rather than teach;
- Teachers are staging walk-outs to protest the violence which denies interested students the opportunity to learn.

Teachers and administrators require special skills to cope with potentially explosive situations and violent students. Yet, they are not receiving those skills in their university preparation programs. The California Legislature, believing that "certificated school personnel often are not prepared effectively in their professional programs to cope with potentially violent situations or with violent youth," amended the California Education Code (California Senate Bill 2460, Green, 1990). The revised code will require the California Commission on Teacher Credentialing (CTC), the state agency that regulates teacher preparation and licensing, to undertake leadership activities directed toward establishing appropriate standards of preparation for teachers and other certificated personnel concerning violent behavior by students.

Anticipating that a requirement for training teachers and principals in handling violence in schools would be forthcoming from the CTC, Pepperdine University began developing a violence

prevention curriculum to be included in the training of future teachers and administrators.

In June of 1992, a grant from the Pacific Telesis Foundation enabled the teacher preparation program to begin developing and field testing a model curriculum for creating a safe school environment. The model curriculum will be designed to be presented in an applied, hands-on, interactive mode. The training will focus on skills that teachers need to maintain a safe, secure and welcoming school climate. The curriculum will also address skills teachers need to help build confidence, self-esteem and pride in their students — attitudes crucial to creating and maintaining a positive and cohesive campus climate.

In addition to the faculty of Pepperdine's Graduate School of Education and Psychology, curriculum developers will draw upon the resources of the Pepperdine School of Law and the National School Safety Center, a resource center administered by Pepperdine University and funded by the U.S. Departments of Education and Justice.

The model curriculum will be field tested with the teachers at Broadway Elementary School in the Los Angeles Unified School District, a partnership school with Pepperdine University. Broadway School serves a diverse student population in an area plagued with social problems. Poverty, crime and racial tension severely inhibit the instructional process. In the past year, two parents of Broadway students have been killed in gang-related incidents.

After further development and field testing, the model curriculum will be made available to other universities for use in teacher and administrator preparation programs. The target date for completion of the model curriculum is January 1, 1993.

*H. Woodrow Hughes, Ph.D., is the Associate Dean for Education in the Graduate School of Education and Psychology, Pepperdine University.*

State courts, statutes, and local practices vary widely on the question of when students' lockers and desks can be searched. But one thing is certain: School officials have fewer restrictions on searching lockers and desks than on searching persons, and in many places they are much freer.

In one New York case a vice-principal conducted a search at the direction of a police officer who suspected the student possessed drugs; the court upheld the search on the ground that the student had no reasonable expectation of privacy since he knew the principal had a master key to all the locks.<sup>20</sup> Other courts have said schools can conduct locker searches triggered by drug-detecting dogs, because the school exercises control over the lockers.<sup>21</sup>

In contrast, the California Supreme Court makes no distinction between personal searches and searches of lockers; in both situations it requires reasonable and individualized suspicion.<sup>22</sup> Like California, New Jersey insists there be definite grounds for suspicion in order to search a locker. The New Jersey Supreme Court ruled that it was unlawful to search a locker in a case where a police officer had received an anonymous call from someone claiming to be the parent of another student and naming a certain student as a drug dealer. The officer passed this information on to the school and an assistant principal searched the student's locker. The court found the information did not amount to reasonable suspicion and ruled that reasonable suspicion was required for a locker search if, as in this case, the student was justified in believing that the master key to the locker would be employed only at his request or convenience.<sup>23</sup> If the school had a publicized policy of regularly inspecting student lockers, the suspected student might not have had the same expectation of privacy.

A number of states have statutes insisting upon reasonable suspicion before lockers can be searched but do not require search warrants. Louisiana law, for instance, states that any teacher, principal, or administrator can search any "building, desk, locker, area or grounds" for contraband "when he has articulable facts which lead him to a reasonable belief that the items sought will be found."<sup>24</sup>

Similarly, both Florida and Maryland permit searches of student lockers if there is reasonable suspicion that a prohibited object is contained in the area to be searched. Both states

require schools to notify students that these places are subject to search. Maryland limits such searches to items illegal under state law and requires that a third party be present when a locker is searched.<sup>25</sup>

Many local school districts have written policies on locker searches which may or may not protect your privacy. The Detroit Board of Education Policy on Discipline and Student Rights permits locker searches but states "there must be reason to believe that the student is using his/her locker, desk or other property in such a way as to endanger his/her own health or safety or the health, safety and rights of other persons." In contrast, the Jackson, Mississippi, policy states that "desks and lockers are public property and school authorities may conduct an inspection for any reason related to school administration." Whether or not you have a reasonable expectation of privacy in your locker or desk may depend on the stated policy of your particular school.

Can schools require students to submit to blood and urine tests for drugs?

No. As more school districts impose such tests in an attempt to combat drug and alcohol use, there is bound to be litigation challenging their legality. Already, a federal district court has ordered the Arkadelphia, Arkansas, school board to stop its use of urinalysis testing of students and prohibited the board from using test results to discipline students.<sup>26</sup> The Arkadelphia policy had authorized schools to test any student they suspected of drug or alcohol use, whatever the reason for that suspicion, and to expel any student found to have even a trace of drugs, alcohol, paint or glue in his or her system. After a challenge by the New Jersey Civil Liberties Union, a New Jersey school district dropped a plan to give all students urine tests for drugs without any pretense of individualized suspicion as part of an annual physical. The judge ruled that even if the purpose was solely medical the test would violate the reasonable privacy expectations of children.<sup>27</sup> A federal court in Washington, D.C., has ruled that a school bus attendant has a reasonable expectation of privacy from search by mandatory urine testing for drugs if such testing is conducted without probable cause or individualized suspicion. The court stated that this privacy expectation outweighed public safety considerations.<sup>28</sup>

Post-It™ brand fax transmittal memo 7671	# of pages > /
To: P. SWANSON	From: R. BUNN
Co. Rep. on BUNN 1/1/94	Co. REEVE ACLA
Dept.	Phone # 1 SR - 0044

**DIVISION OF LEGAL SERVICES**  
**LEGISLATIVE AFFAIRS AGENCY**  
**STATE OF ALASKA**

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FAX (907) 465-2029  
Mail Stop 3101

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

MEMORANDUM

March 8, 1994

**SUBJECT:** Sectional Summary of CSHB 417(HES)  
(Work Order No. 8-LS1589R)

**TO:** Representative Con Bunde  
Attn: Patty

**FROM:** Jerry Luckhaupt *JEL*  
Legislative Counsel

You have asked for a sectional summary of the above-described bill. Please be advised that a sectional summary is not an authoritative statement of the contents of a bill - the bill itself is the best statement of its contents.

Section 1 of the bill amends AS 11.61.210(a) by providing that a person commits the crime of misconduct involving weapons in the fourth degree if a person possesses a deadly weapon<sup>1/</sup> or a defensive weapon,<sup>2/</sup> on school grounds or the parking lot of a preschool, elementary, junior high, or secondary school, in certain situations or while participating in a school sponsored event. Violation of this section is a class A misdemeanor.<sup>3/</sup> AS 11.61.220(g). The possession of firearms and defensive weapons is currently prohibited at schools and their grounds under AS 11.61.220-(a)(4) which is being repealed in sec. 3 of this bill.

Section 2 of the bill provides that a peace officer may possess a deadly weapon on school grounds.

---

<sup>1/</sup> "Deadly weapon" is defined at AS 11.81.900(b)(13) as:

firearm, or anything designed for and capable of causing death or serious physical injury, including a knife, an axe, a club, metal knuckles, or an explosive . . .

<sup>2/</sup> "Defensive weapon" is defined at AS 11.81.900(b)(16).

<sup>3/</sup> A class A misdemeanor is punishable as provided in AS 12.55.135 (imprisonment) and 12.55.035 (fine).

Representative Con Bunde  
March 8, 1994  
Page 2

Section 3 of the bill amends AS 11.61.220(a) to correspond with the change made in sec. 1 of the bill.

Section 4 of the bill amends AS 14.03 by adding a new section that provides for the search and examination of school lockers by school officials. Subsection (c) of that section, provides that this grant of authority does not diminish any separate authority to search that might exist.

Section 5 of the bill amends AS 14.45 by adding a new section that permits private schools to search school lockers as provided in AS 14.03.105 (added by sec. 4 of the bill).

GPL:lmb  
94-077.lmb

**ASSOCIATION OF ALASKA SCHOOL BOARDS**

316 W. 11th St. • Juneau, Alaska 99801-1510  
(907) 586-1083 • Fax (907) 586-2995

**POSITION PAPER  
Weapons Bill - HB 417**

The Association of Alaska School Boards does not condone weapons on school property under any conditions, regardless of age. Many local school boards have created a variety of policies reflecting this attitude, consistent with the beliefs of the communities they represent.

Passage of HB 417 could negate many of those school district policies currently in place banning weapons (concealed or not) on school property or at school sponsored events.

Schools are charged with providing a safe environment for children. This bill would make it difficult, if not impossible, for schools to insure that students would not be exposed to danger, whether accidental or intended, by adults carrying weapons on school property.



House of Representatives

**SPONSOR STATEMENT**

CSHB 417(JUD) am

**“An Act relating to the possession of deadly weapons within the grounds of or on the parking lot of preschools, elementary, junior high and secondary schools; and relating to school lockers and other containers provided in a public or private school by the school or the school district.”**

Our responsibility as lawmakers is to establish public policy. We need to anticipate problems and offer solutions to those problems before they become overwhelming burdens. Our highest priority should be safe schools that allow students the opportunity to learn and provide teachers an environment in which to teach.

School districts throughout the state currently search lockers for a variety of prohibited items. However, these searches are not backed up by the force of law. The intent of HB 417 is to enhance the ability of school districts throughout the state to avoid potentially fatal occurrences with deadly weapons. This bill will give school districts needed statutory authority to search lockers and other containers on school grounds for firearms, defensive weapons and deadly weapons.

Educational institutions already possess some right to conduct searches but the boundaries of that right are unclear, variable, and subject to constant constitutional challenges based on the argument that students have a “legitimate expectation of privacy” in their lockers. A school might believe that it needed a separate legal clearance for every locker search. Section 4 of HB 417 clarifies the conditions of locker searches.

Section 4 would announce that educational institutions could generally conduct or authorize the searches so long as students are warned ahead of time not to expect their lockers are private. Subsection (b) clarifies that advance warning must consist of the posting of notices throughout the school before the searches occur. Schools wishing to conduct a policy of continual searches could keep notices permanently posted.

The amount of violence in schools throughout our state is escalating. If we do not take strong measures to curb the trend our students will pay the price. Schools will become places of fear instead of learning. Our standard of education will drop as teachers are forced to dedicate more of their scarce time to protecting students and themselves. This bill will provide the necessary back-up for a tool that is already in use by our schools and it will send a strong message to our students. I urge your support for HB 417.

**SPONSOR STATEMENT**

STATE OF ALASKA  
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY  
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Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS database CMPR. In order to save space copies of minutes have not been left in the files.

Mary Van Nimwegen

NB 417

STATE OF ALASKA  
1994 LEGISLATIVE SESSION

FISCAL NOTE

BILL NO

No. 2

Bill Version: CSEB 417 (Jud)

(H) Publish Date: 2/24/94

Revision Date: \_\_\_\_\_ Dept. Affected: Public Safety  
 Title: Possession of Firearms in Schools BRU: Alaska State Troopers  
 Component: Detachments  
 Sponsor: Rep. Bunde  
 Requestor: H. HES 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-
CAPITAL EXPENDITURES	-0-	-0-	-0-	-0-	-0-	-0-
CHANGE IN REVENUES ( ) <small>Revenue Code</small>	-0-	-0-	-0-	-0-	-0-	-0-

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-

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

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.)

No fiscal impact is anticipated to the Department of Public Safety.

**COMMITTEE COPY**

Prepared By: Lee Ann Lucas Phone: 465-4322  
 Division: Office of the Commissioner Date: 2/18/94  
 Approved by Commissioner: [Signature] Date: \_\_\_\_\_  
 Agency: Richard L. Buzon, Dept. of Public Safety

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FISCAL NOTE

No. 1

Bill Version: CSHB 417 (Jud)

(H) Publish Date: 2/24/94

STATE OF ALASKA  
1994 LEGISLATIVE SESSION

Revision Date: February 9, 1994  
Title: "...possession of deadly weapons...relating to school lockers..."  
Sponsor: Representative Bunde  
Requestor: Representative Bunde

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						
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REVENUE						
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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

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

Phone: 465-3672  
Date: February 9, 1994

Approved by Commissioner: Bruce M. Botelho Attorney General

Agency: Department of Law Date: February 9, 1994

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FISCAL NOTE

STATE OF ALASKA  
1994 LEGISLATIVE SESSION

BILL NO. HB 417

ANALYSIS CONTINUATION:

First, this bill amends AS 11.61.220(a) to prohibit possession of a deadly weapon within the grounds of or on a parking lot immediately adjacent to a public or private preschool, elementary, junior high, or secondary school, within the crime of misconduct involving weapons in the third degree. The existing statute prohibits possessing a firearm under these circumstances. The bill also expands the existing prohibition to include postsecondary educational institutions.

Second, the bill amends AS 14.03 to permit school officials in private and public schools and in private and public postsecondary institutions, to search and examine the contents of student lockers and other containers to determine compliance with school regulations and local, state, and federal laws. Schools would be required to post notices in prominent locations throughout a school two weeks before a search is conducted stating the right and the intention of a school to conduct a search or examination. The bill also provides that this requirement is satisfied if the notices are posted continuously.

These changes should not have a fiscal impact for the Department of Law. It is possible that schools could be liable for damages if they do not protect the privacy of students, by revealing the contents of lockers that are not the purpose of a search authorized by this bill.

8-LS1589D ✓  
Luckhaupt  
4/21/94

SENATE CS FOR CS FOR HOUSE BILL NO. 417(STA)  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
EIGHTEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Offered:

Referred:

Sponsor(s): REPRESENTATIVES BUNDE, Finkelstein

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the possession of weapons within the grounds of or on the  
2 parking lot of preschools, elementary, junior high, and secondary schools or while  
3 participating in a school-sponsored event; and relating to school lockers and other  
4 containers provided in a public or private school by the school or the school  
5 district."

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

7 \* Section 1. AS 11.61.210(a) is amended to read:

8 (a) A person commits the crime of misconduct involving weapons in the fourth  
9 degree if the person

10 (1) possesses on the person, or in the interior of a vehicle in which the  
11 person is present, a firearm when the person's physical or mental condition is impaired  
12 as a result of the introduction of an intoxicating liquor or a controlled substance into  
13 the person's body in circumstances other than described in AS 11.61.200(a)(7);

- 1 (2) discharges a firearm from, on, or across a highway;
- 2 (3) discharges a firearm with reckless disregard for a risk of damage
- 3 to property or a risk of physical injury to a person;
- 4 (4) manufactures, possesses, transports, sells, or transfers metal
- 5 knuckles;
- 6 (5) manufactures, sells, or transfers a switchblade or a gravity knife;
- 7 [OR]
- 8 (6) knowingly sells a firearm or a defensive weapon to a person under
- 9 18 years of age; or

10 (7) knowingly possesses a deadly weapon or a defensive weapon,

11 without the permission of the chief administrative officer of the school or district

12 or the designee of the chief administrative officer, within the grounds of or on the

13 parking lot immediately adjacent to a public or private preschool, elementary,

14 junior high, or secondary school or while participating in a school-sponsored

15 event, except that a person 21 years of age or older may possess

- 16 (A) in the trunk of a motor vehicle or encased in a closed
- 17 container in a motor vehicle, a deadly weapon other than a loaded firearm;
- 18 (B) a defensive weapon.

19 \* Sec. 2. AS 11.61.210 is amended by adding a new subsection to read:

20 (d) The provisions of (a)(7) of this section do not apply to a peace officer

21 acting within the scope and authority of the officer's employment.

22 \* Sec. 3. AS 11.61.220(a) is amended to read:

23 (a) A person commits the crime of misconduct involving weapons in the fifth

24 degree if the person

25 (1) knowingly possesses a deadly weapon, other than an ordinary

26 pocket knife or a defensive weapon, that is concealed on the person;

27 (2) knowingly possesses a loaded firearm on the person in any place

28 where intoxicating liquor is sold for consumption on the premises;

29 (3) being an unemancipated minor under 16 years of age, possesses a

30 firearm without the consent of a parent or guardian of the minor;

31 (4) knowingly possesses a firearm

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[(A) OR A DEFENSIVE WEAPON WITHIN THE GROUNDS OF OR ON A PARKING LOT IMMEDIATELY ADJACENT TO A PUBLIC OR PRIVATE PRESCHOOL, ELEMENTARY, JUNIOR HIGH, OR SECONDARY SCHOOL WITHOUT THE PERMISSION OF THE CHIEF ADMINISTRATIVE OFFICER OF THE SCHOOL OR DISTRICT OR THE DESIGNEE OF THE CHIEF ADMINISTRATIVE OFFICER, EXCEPT THAT A PERSON 21 YEARS OF AGE OR OLDER MAY POSSESS

(i) AN UNLOADED FIREARM IN THE TRUNK OF A MOTOR VEHICLE OR ENCASED IN A CLOSED CONTAINER IN A MOTOR VEHICLE;

(ii) A DEFENSIVE WEAPON; OR

(B)] within the grounds of or on a parking lot immediately adjacent to a center, other than a private residence, licensed under AS 47.35.010 - 47.35.075 or recognized by the federal government for the care of children; or

(5) possesses or transports a switchblade or a gravity knife.

\* Sec. 4. AS 14.03 is amended by adding a new section to read:

Sec. 14.03.105. SCHOOL LOCKERS. (a) Subject to (b) of this section, a locker or other container provided in a school by the school or the school district may be searched and examined with the permission of the chief administrative officer of the school or the school district or the designee of the chief administrative officer to determine compliance with school regulations, school district regulations, and local, state, and federal laws.

(b) Notices in letters at least two inches high stating the right and the intention of school and school district officers to permit searches and examinations under (a) of this section shall be posted in prominent locations throughout a school.

(c) Nothing in this section limits the ability of a peace officer, chief administrative officer, or other appropriate person, acting in compliance with local, state, or federal laws, to search a locker or other container provided in a public or private school by the school district.

\* Sec. 5. AS 14.45 is amended by adding a new section to article 3 to read:

1                   Sec. 14.45.190. SCHOOL LOCKERS. A private school may search school  
2 lockers and other containers as provided in AS 14.03.105.

**HB**

**421**



NEWS RELEASE  
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 Fax NewsExpress

150 East Colorado Boulevard

Pasadena, CA 91101

O E S  
 CALIFORNIA

FEMA-DR-1008-CA-PR#145

February 4, 1994

\*

California Office of  
 Emergency Services

Media Contacts:

FEMA: (818) 405-7548

OES: (818) 405 7408

FEMA EARTHQUAKE HOUSING AID  
 FLOWING TO HARDEST HIT AREAS

PASADENA --- The Federal Emergency Management Agency (FEMA) says a steady stream of checks is headed to southern California homeowners to repair their quake-damaged homes or find alternate housing.

FEMA says it is prioritizing delivery of checks to people who live in areas which experienced the greatest ground motion during the Northridge quake, and which city housing inspections suggest contain high concentrations of heavily damaged structures.

As of Wednesday, (Feb. 2), over \$76.8 million in temporary housing checks had been distributed to over 25,000 families.

Federal Coordinating Officer Frank Kishton, of FEMA, says some people receiving housing checks mistakenly believe that they are not eligible for housing assistance because they're still able to live in their homes.

"In many cases the housing checks which applicants receive can be used to repair quake damage, including damage to chimneys, windows, doors and walls, even though the applicants weren't forced to move out of the home," Kishton said.

Kishton says some applicants are surprised that FEMA has designed a telephone application process that is simple, non-bureaucratic, and relatively quick. A single phone application covers a wide range of disaster aid, including temporary housing, disaster loans, crisis counseling, and individual and family grants. So some people are unaware that telling FEMA their house sustained damage triggers an automatic review of their eligibility for temporary housing assistance, including home repairs.

If an applicant ultimately qualifies for other FEMA assistance, but not temporary housing or home repairs, the amount of the housing check can be subtracted from other federal assistance for which the person qualifies.

--more--

**EARTHQUAKE HOUSING AID**  
**Add One**

With the need for housing assistance so great in some parts of the southland, FEMA has expedited check delivery to applicants who pass the initial review of eligibility. FEMA inspectors will conduct follow-up examinations at the residences of all applicants to verify structural and personal property damage.

FEMA says its systematic distribution of temporary housing and home repair checks has gone only to disaster assistance applicants who have indicated their homes sustained earthquake damage.

Enclosed with each of these checks is a notice which states:

"Because your application indicates that your home was damaged or destroyed by the earthquake you are being provided FEMA assistance. By cashing the enclosed check you are confirming that the information on your application is true and correct and are agreeing to use these funds only to meet your disaster-related emergency housing needs, rent for alternative housing, or repairs to your home. You will soon receive a letter from FEMA with more specific information concerning this assistance. If you have any questions, please call FEMA's Disaster Information Hotline at 1-800-525-0321 or 1-800-660-8005 TDD."

In addition, under separate cover a copy of the completed application is provided to the family, along with a description of all FEMA and related disaster assistance which may be available. The application is verified to certify the accuracy of the information contained in the application.

Should disaster assistance applicants wish to return FEMA checks, they may do so by mailing the checks to:

FEMA  
Disaster Temporary Housing Program  
P.O. Box 8020  
Redwood City CA 94063

If applicants have questions about any aspect of the disaster assistance program, including eligibility issues, they are urged to call the Disaster Information Helpline at 1-800-525-0321 or 1-800-660-8005, the TDD number for the speech or hearing-impaired.

###

## **Sponsor Statement HB 421**

### **OVERVIEW**

This legislation was introduced at the request of the State of Alaska's Division of Emergency Services. Under current state statute, people that are displaced from their homes during a state declared disaster must have temporary housing arrangements negotiated individually by DMVA. This can be a lengthy, tedious process that takes precious resources away from other disaster assistance. The Federal Emergency Management Agency (FEMA) has streamlined this process during a federally declared disaster by making grants directly to displaced individuals. These individuals then make their own housing arrangements, reducing costs and removing possible liability from the government as a lessor.

### **WHAT HB 421 DOES**

HB 421 adds language to AS 26.23.100 that would allow the Division of Emergency Services the ability to grant funds to displaced people for temporary housing during state declared disasters. Eligibility for these funds would be determined by the criteria set out by DES. This change will result in more efficient response to temporary housing needs during a state declared disaster.

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS  
BRIEFING PAPER HB421

**Background:**

Whenever people are displaced from their homes because of a disaster, part of the disaster assistance provided by the Division of Emergency Services (DES) is the provision of temporary housing. The authority for doing this is addressed in A.S. 26.23.100. The current authority is limited to the state making direct payments for providing temporary housing. The statutes also allow the state to work through local governments to provide temporary housing.

Current statutes do not authorize DMVA to make housing assistance grants to persons displaced from their homes during state-declared disasters. Without this authority, DMVA must negotiate lease/rental terms for every individual or family requiring temporary housing during a disaster. This task is administratively burdensome and increases the administrative costs of a disaster by requiring time to monitor and manage the lease agreements. However, the process for providing temporary housing in a federally-declared disaster is significantly more efficient.

In a federally-declared disaster, Federal Emergency Management Agency (FEMA) staff directly administers the temporary housing program, using 100% federal funds. The federal temporary housing program makes grants directly to individuals for them to arrange their own temporary housing. Granting funds to recipients to arrange their own housing reduces administrative costs, removes liability from the government as a lessor, and reduces government involvement in personal issues.

**Impact of proposed legislation:**

HB421 will specifically permit DMVA to grant funds to eligible disaster victims who have located temporary housing. The eligibility of disaster victims would be determined by the staff of the Division of Emergency Services (DES) using criteria established in the Temporary Housing Assistance Plan promulgated by DES. This granting authority will greatly expedite the ability of DMVA to respond to providing for temporary housing during a disaster, and would allow each family or individual affected to secure housing which best fits their housing needs.

The addition of this granting authority will add another tool in the ability of DES to respond to temporary housing needs. It will not be the only way these needs are met, and circumstances of a particular event will influence the choice of approaches to temporary housing.

# FISCAL NOTE

STATE OF ALASKA  
1994 LEGISLATIVE SESSION

BILL NO. HB 421

Revision Date: \_\_\_\_\_ Dept. Affected: Military and Veterans Affairs  
 Title: Authorizing grants for temporary housing assistance BRU: na  
during emergencies and disasters Component: \_\_\_\_\_  
 Sponsor: House MVA  
 Requestor: House MVA COMPONENT SERIAL NO. \_\_\_\_\_

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	0.0					

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ( )						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1008 GF/MHTIA						
Other						
<b>TOTAL</b>	0.0					

Estimate of any current year (FY94) cost: \$ (not applicable)

POSITIONS

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)  
 Zero fiscal impact

Prepared by: Jeff Morrison, Director Phone: 465-4730  
 Division: Administrative Support Services Division Date: February 7, 1994  
 Approved by Commissioner: *Jeff Morrison for* Hugh L. Cox III Date: February 7, 1994  
 Agency: Military and Veterans Affairs

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