

ALASKA LEGISLATURE COMMITTEE FILES 2001-2002 8672

10428 HOUSE STATE AFFAIRS 268

**HB**

**141**



# ALASKA STATE LEGISLATURE

REPRESENTATIVE  
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House of Representatives  
House District 34

## SPONSOR STATEMENT

### HB 141

#### HB 141, "An Act Relating To Registration Fees For Certain Leased Motor Vehicles".

The Department of Motor Vehicles defines a commercial vehicle as a vehicle used in a business for the purpose of transporting persons, goods, or properties. Their registration fees for commercial vehicles are calculated on the empty weight of the vehicle and are valid for two years. Registration fees for passenger vehicles are based on the class of the vehicle, but on the weight of a vehicle in cases of trucks, buses and for hire vehicles. The registration fee is \$68.00 for standard passenger vehicles and motor homes. Fees for trucks and cargo vans less than 10,000 pounds run \$78.00. In addition, some municipalities and boroughs levy a Motor Vehicle Registration Tax (MVRT).

Complaints have been growing about the cost of registration for leased passenger vehicles, especially since the State went to a biannual renewal program. The fee for leased "non-commercial" vehicles for one year was \$158.00 before going to the biannual renewal program, now the registration cost for the 2-year period is \$323.00.

Even lessors agree that the Department of Motor Vehicles regulations are unfair to consumers. It is a DMV problem. Leased vehicles are a capital asset to the company that owns them; however, the responsibility for paying the registration for a leased vehicle according to DMV regulations is the person leasing the vehicle. Lessees are charged the commercial rate (\$158) for a two-year registration even though they are not **using or maintaining the vehicle for the transportation of persons or property for hire or for other commercial purposes.**

Fairness demands that this be changed so that lessee's pay the same registration fee (\$68.00) as anyone else for a passenger vehicle not being used for commercial purposes. HB 141 makes this change by adding a subsection that states: (i) notwithstanding the other provisions of this section, a leased motor vehicle registered by the lessee that is not being used for a commercial purpose is subject to the fee required for that vehicle under (b) of this section.

**Sec. 28.10.421. Registration fee rates.**

(a) Unless otherwise provided by law,

(1) the fees prescribed in this section shall be paid to the department at the times provided under AS 28.10.108 and 28.10.111; and

(2) an additional fee of \$10 shall be added to ... registration fee set out in this section for registration not conducted by ... or not conducted at an emissions inspection station or contract office offering vehicle registration services; the department may waive this additional fee for a good cause based on criteria established in regulations adopted by the department.

(b) The biennial registration fees under this subsection are imposed within the following classifications for:

(1) a passenger vehicle or motor home not used or maintained for the transportation of persons or property for hire or for other commercial use ..... \$68;

(2) a pick-up truck or a van not exceeding 10,000 pounds unladen weight and not registered in the name of a company or business ... \$78;

(3) a taxicab ..... \$138;

(4) a motor bus with a seating capacity for 20 or more persons and used exclusively for commercial purposes in the transporting of visitors or tourists ..... \$168; (5) a motorcycle or a motor-driven cycle ..... \$38;

(6) a trailer not used or maintained for the transportation of persons or property for hire or for other commercial use, including, but not limited to, a boat trailer, baggage trailer, box trailer, utility trailer, house trailer, travel trailer, or a trailer rented or offered for rent ..... \$10.

(c) The biennial registration fees under this subsection are imposed and are based upon the actual unladen weight as established by the manufacturer's advertised weight or upon the actual weight which the owner shall furnish, subject to the approval of the commissioner or the commissioner's representative, for a vehicle, including a motor vehicle pulling a trailer or semi-trailer, that is registered in the name of a company or business, or is used or maintained for the transportation of passengers for hire, excepting taxicabs and buses under (b) of this section, or for the transportation of property for hire or for other commercial purposes, including a truck, wrecker, tow car, hearse, ambulance, and tractor, as follows:

(1) up to and including 5,000 pounds ..... \$158;

(2) more than 5,000 pounds to and including 12,000 pounds ..... \$246;

(3) more than 12,000 pounds to and including 18,000 pounds .... \$494;

(4) more than 18,000 pounds ..... \$640. (d) The special

registration fees under this subsection are imposed biennially, unless otherwise specified, for  
(1) an historic vehicle, one time only upon initial registration under AS 28.10.181 ..... \$10;

(2) special request plates for

(A) Alaska National Guard personnel ..... \$30;

(B) veterans or retired veterans ..... \$30;

(C) recipients of the Purple Heart ..... \$30;

(D) owners of custom collection vehicles ..... \$50;

(E) other special request plates ..... \$30;



home driver's manuals license plates parking permits vehicle registration

## Motor Vehicle Registration Fees and Taxes

Registration fees for passenger vehicles are based on the class of vehicle and on the weight of a vehicle in cases of trucks, buses and for hire vehicles. In addition, some municipalities and boroughs levy a Motor Vehicle Registration Tax (MVRT). The tax is based on the class, year of the vehicle and owner's residence address, with a new passenger vehicle and a passenger vehicle that is up to its second year of age having a MVRT tax of \$121 if the owner resides in Anchorage. FOR EXAMPLE, in Anchorage, the tax on a passenger vehicle registration expiring in January 2000 with a 2000 or 2 year would be \$121.00. For a 1993 model, the tax would be \$16.00.

The residence address listed on the application for title & registration (section 4) determines whether or not taxes are required prior to registering a vehicle in the State of Alaska. To determine the correct registration fee, look for the type of vehicle under REGISTRATION FEES. Next, check CHARTS under TAXABLE LOCATION. If the residence city is listed, look for the VEHICLE TYPE and then look for the vehicle model year to determine tax amount. If the vehicle year is not on the chart, use the tax for a 1992 model year.

All registration fees are for a two year renewal.

### REGISTRATION FEES

#### Non-Commercial

- \$68.00 Passenger Vehicles & Motorhomes (For LEASED vehicles, see Commercial Fees)
- \$78.00 Trucks & Cargo Vans under 10,000 pounds (Trucks and vans in a business name or over 10,000 lbs. are automatically registered commercial vehicles.)
- \$10.00 Trailers
- \$38.00 Motorcycles
- \$168.00 Tour Buses
- \$138.00 Taxi Cabs

#### Commercial (Including all LEASED vehicles)

- \$158.00 0 - 5,000 pounds
- \$246.00 5,001 - 12,000 pounds
- \$494.00 12,001 - 18,000 pounds
- \$640.00 18,001 and over
- \$10.00 Trailers (One time fee)

### MISCELLANEOUS FEES

- \$5.00 Title
- \$5.00 Lien Recording
- \$2.00 I/M Administrative Fee
- \$5.00 Specialty Plate Transfer
- \$2.00 Duplicate Registration

For a complete list of all fees, see [registration fees](#).

For commercial vehicles, see [commercial vehicle information](#).

For vehicles which are subject to an [emissions inspection](#) - 1968 and newer vehicles principally used or operated in the Municipality of Anchorage and newer vehicles principally used or operated in the Fairbanks North Star Borough (excluding the two most current model years) - there is a \$2.00 administrative fee, which is collected to help defray the additional costs of administering the I/M program.

## Motor Vehicle Registration Tax (MVRT) Communities

- Anchorage (Municipality of Anchorage)
- Bethel (City of Bethel)
- Dillingham (City of Dillingham)
- Kenai Peninsula Borough
- Ketchikan Gateway Borough
- Kodiak Island Borough
- Matanuska-Susitna Borough

- Nenana (City of Nenana)
- Nome (City of Nome)
- Petersburg (City of Petersburg)
- Sitka (City and Borough of Sitka)
- Unalaska (City of Unalaska)
- Whittier (City of Whittier)

**TAX CHARTS - EFFECTIVE JANUARY 1st, 2000**

<b>BETHEL</b>								
VEHICLE TYPE	VEHICLE MODEL YEAR							
	2001	2000	1999	1998	1997	1996	1995	1994
Non-Commercial Passenger , Motorhomes, Pickups & Cargo Vans Commercial (1 - 5,000) & Taxi Cabs	151	151	124	96	69	49	35	24
Non-Commercial Trailers & Motorcycles	21	21	19	16	13	9	6	4
Commercial (5,001 - 12,000) & Tour Bus	248	248	193	151	124	96	69	47
Commercial (12,001 - 18,000)	521	521	453	398	343	288	246	211
Commercial (18,001 & Over)	645	645	549	466	398	343	288	231

<b>KENAI - Anchor Point, Clam Gulch, Cooper Landing, English Bay, Fritz Creek, Halibut Cove, Homer, Hope, Kaslof, Kenai, Moose Pass, Nanwalek, Nickolovsk, Ninilchik, Port Graham, Red Mountain, Seldovia, Seward, Soldotna, Sterling, Tyonek</b>								
VEHICLE TYPE	2001	2000	1999	1998	1997	1996	1995	1994
Non-Commercial Passenger , Motorhomes, Pickups & Cargo Vans	140	140	120	100	80	60	50	40
Commercial (1 - 5,000) & Taxi Cabs	150	150	130	110	90	70	60	50
Non-Commercial Trailers & Motorcycles	20	20	18	16	14	12	10	10
Commercial (5,001 - 12,000) & Tour Bus	200	200	180	160	140	120	100	70
Commercial (12,001 - 18,000)	450	450	410	370	330	290	250	230
Commercial (18,001 & Over)	550	550	500	450	400	350	300	250

<b>KETCHIKAN - Ketchikan, Loring, Saxman, Ward Cove</b>								
VEHICLE TYPE	2001	2000	1999	1998	1997	1996	1995	1994
Non-Commercial Passenger , Motorhomes, Pickups & Cargo Vans Commercial (1 - 5,000) & Taxi Cabs	152	152	126	102	76	50	40	20
Non-Commercial Trailers & Motorcycles	20	20	18	16	14	10	6	4
Commercial (5,001 - 12,000) & Tour Bus	254	254	202	152	126	102	76	50

Commercial (12,001 - 18,000)	530	530	454	404	352	302	252	221
Commercial (18,001 & Over)	656	656	554	478	404	352	302	251

**MAT-SU BOROUGH** - Alexander Creek, Beluga River, Big Lake, Broad Pass, Chickaloon, Curry, Eska, Houston, Jonesville, Palmer, Skwentna, Sutton, Talkoetna, Trapper Creek, Wasilla, Willow, Yenina

VEHICLE TYPE	2001	2000	1999	1998	1997	1996	1995	1994
Non-Commercial Passenger, Motorhomes, Pickups & Cargo Vans Commercial (1 - 5,000), Taxi Cabs & Tour Bus	145	145	135	125	115	105	95	80
Non-Commercial Trailers & Motorcycles	20	20	20	20	20	20	20	20
Commercial (5,001 - 12,000)	220	220	220	220	220	185	110	110
Commercial (12,001 - 18,000)	480	480	480	480	480	400	320	320
Commercial (18,001 & Over)	632	632	596	560	524	488	452	411

**ANCHORAGE AND OTHER AREAS** - Akhlok, Anchorage, Bird Creek, Chinik Bay, Chuglak, Dillingham, Dutch Harbor, Eagle River, Eklutna, Elmendorf, Ft. Richardson, Girdwood, Indian, Karluk, Kodlak, Larsen Bay, Nenana, Nome, Old Harbor, Ouzinkle, Peters Creek, Petersburg, Port Lions, Sill, Unalaska, Whittier

VEHICLE TYPE	2001	2000	1999	1998	1997	1996	1995	1994
Non-Commercial Passenger, Motorhomes, Pickups & Cargo Vans Commercial (1 - 5,000) & Taxi Cabs	121	121	99	77	55	39	28	19
Non-Commercial Trailers & Motorcycles	17	17	15	13	10	7	5	4
Commercial (5,001 - 12,000) & Tour Bus	198	198	154	121	99	77	55	39
Commercial (12,001 - 18,000)	447	447	392	348	304	260	227	201
Commercial (18,001 & Over)	546	546	469	403	348	304	260	211

3300 B Fairbanks St., Anchorage, AK 99503  
[fees and taxes](#) - [registration info](#) - [general info](#) - [motor vehicles](#) - [administration](#) - [state](#) - [feedback](#)

# FISCAL NOTE

**STATE OF ALASKA**  
**2001 LEGISLATIVE SESSION**

Fiscal Note Number: \_\_\_\_\_  
 Bill Version: HB 141  
 ( ) Publish Date: \_\_\_\_\_

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affect: Administration  
 Title: An act relating to registration fees for certain lease BRU: Motor Vehicles  
 Component: Motor Vehicles  
 Sponsor: Representative James  
 Requester: H (STA) Component Number: 2348

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

CAPITAL EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
<b>CHANGE IN REVENUES ( )</b>	<b>(540.0)</b>	<b>(540.0)</b>	<b>(540.0)</b>	<b>(540.0)</b>	<b>(540.0)</b>	<b>(540.0)</b>

**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	(540.0)	(540.0)	(540.0)	(540.0)	(540.0)	(540.0)
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
<b>TOTAL</b>	<b>(540.0)</b>	<b>(540.0)</b>	<b>(540.0)</b>	<b>(540.0)</b>	<b>(540.0)</b>	<b>(540.0)</b>

Estimate of any current year (FY2001) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

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

HB 141 would reduce some registration rates for leased vehicles from commercial to non-commercial fees. The determination of vehicle use would be made by the lessee at the time of lease. In 2000 there were 22,400 commercial passenger vehicles and 14,400 commercial pickup trucks registered in Alaska. Approximately 1/3 of all these vehicles are leased. If 1/2 of the leased vehicles are registered for personal use, the revenue loss would be \$540,000. The Division of Motor Vehicles has no way to effectively police the stated use (commercial or non-commercial) of a leased vehicle.

Prepared by: Mary Marshburn Phone 269-5559  
 Division: Motor Vehicles Date/Time 03/07/01  
 Approved by: Jim Duncan, Commissioner Date 3/7/01  
 Agency: Department of Administration

For distribution information, call the Governor's Legislative Office

# ALASKA STATE LEGISLATURE

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House of Representatives  
House District 34

## Memorandum

**To:** House State Affairs/ Rep. John Coghill  
**Committee Aide:** Rynniva Moss  
**From:** Representative Jeannette James / Myrna McGhie  
**Date:** 02/27/01  
**Re:** Request for Hearing on HB 141

---

This is to request a hearing on HB 141, which is an "Act relating to registration fees for certain leased motor vehicles." This will add an item to Section 1 of AS 28.10.421 to exempt individuals from paying commercial registration fees on vehicles leased for non-commercial use.

Thank you.

# ALASKA STATE LEGISLATURE

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Thank you.

**HEB**

**145**

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# ALASKA STATE LEGISLATURE

Senator Rick Halford

*President of the Senate*

## SPONSOR STATEMENT

CSSB145 (JUD)

*While in Session:*  
State Capitol  
Juneau, AK 99801-1182  
907-465-4958

*While in Interim:*  
P.O. Box 670190  
Citugiak, AK 99567  
907-694-4958

The Village Public Safety Officer (VPSO) program is the first line of law enforcement in many small communities in the unincorporated areas of the state. Designed as a "first responder" law enforcement arm for many villages throughout the state, the VPSO program has established a commendable record of public service previously unavailable to these communities.

Although the VPSO program falls within the Department of Public Safety, the officers are actually employed by the Native nonprofit corporations responsible for the area. VPSO oversight, technical support, training and field support are provided by the Department of Public Safety. The selection of officers in a particular village is jointly approved by the nonprofit corporation and the Alaska State Troopers.

A VPSO learns about law enforcement, first aid, fire fighting and other public safety issues by attending an eight-week VPSO Academy, which includes a two-week fire-fighting course. Continued training is provided depending on the proficiency of the officer and the specific needs of the area.

VPSO officers are unique in that they are selected partly for their familiarity with and background in the geographic area they serve. Special consideration is given to hiring residents with a long history in the community. With specialized training unavailable to most villagers, the VPSO officer provides preliminary services that include law enforcement, EMS, first aid, fire fighting assistance, emergency search and rescue support, initial alcohol and drug abuse support for the community, domestic counseling and, equally important, scheduled and emergency contact with the Troopers.

At one time, there were over 120 VPSO officers in the state. Presently, the program consists of only 85 VPSO officer positions. Despite the successes of this program, it has been plagued with temporary shortages of officers. Investigations have exposed the most obvious reasons for the relatively high turnover rate among VPSO officers. Cited the most frequently were:

1. Inadequate pay
2. Lack of career opportunities
3. Lack of support from law enforcement community
4. Inadequate retirement system
5. Lack of support funds

Senate Bill 145 is designed to resolve some of the above complaints and to elevate the VPSO program to a point where it provides incentive for law enforcement stability within these small communities.

This legislation also creates a Regional Public Safety Officer (RPSO) program within the Department of Public Safety to serve as a link between the VPSO officers and the troopers, to provide a career path for VPSO officers and to provide a local supervisory position for which service as a VPSO officer is an important ingredient in the selection of regional officers. RPSO officers, like VPSO officers, will be allowed and encouraged to remain in the same area and not be required to move around the state like Troopers are required to do. The RPSO differs from the VPSO in that the regional officers will be state employees; they will be part of the Department of Public Safety and will participate in the state's retirement system. They will not be part of the police retirement system until they become certified police officers. Regional officers will have more supervisory and training responsibilities than village officers. Regional officers need not be certified police officers but in-service training opportunities will provide the option for the RPSO to meet required standards and receive certification while occupying the same position.

The fiscal note for SB 145 includes a pilot project for the RPSO system with the initial hiring of four regional officers. Continuation of this program will depend on favorable reports from the Department of Public Safety, the Department of Corrections and the VPSO non-profit employers.

VPSO and RPSO officers will be given some probation and parole supervision authority as directed by the Department of Corrections. This will serve two purposes. Individuals on probation and parole will be allowed to serve within their own community rather than being forced to reside in larger more hostile situations where the individual does not have family support and is more likely to develop recurring problems. This will also serve to provide more responsibilities for the VPSO and RPSO officers concurrent with increased compensation.

This legislation has provided that the VPSO officer may be included in the state retirement system, but not under the police officer retirement system. Some VPSO officers may choose to remain under the existing non-profit corporation retirement system being provided.

It should be emphasized that neither the VPSO nor RPSO program is intended to replace an incorporated community police force. This program specifically targets communities with populations under 1,000 and does not provide the technical sophisticated law enforcement and training provided by many municipal police organizations. The VPSO and RPSO programs are designed to augment and complement other municipal and statewide law enforcement programs.

CS for Senate Bill No. 145 (FIN)  
SECTIONAL ANALYSIS

- Section 1: Intent Language
- Section 2: Civil liability: Except in an act of gross negligence or reckless or intentional conduct the state or its officers (VPSO) are not liable.
- Section 3: Amends current statute regarding the Village Public Safety Officer Program to include:
- 1) parole and probation supervision
  - 2) coordinated efforts between DPS and DOC on providing the grants to the non-profit regional corporations
  - 3) provision to allow DOC to adopt regulations on implementing parole / probation supervision
- Section 4: Establishes the VPSO in the public employees' retirement system (PERS)
- Section 5: New section that creates the Regional Public Safety Officer and outlining the administrative functions / duties of the position.
- Section 6: Amends current statute to allow VPSO in PERS the option to waive coverage.
- Section 7: New section that stipulates a VPSO in PERS is given a one-time 90 day period to opt-out of the coverage. The section stipulates the how this must be accomplished.
- Section 8: New section that treats all non-profit regional corporations as a single employer for the purpose of rate stability.
- ? Section 9: Section amended to allow VPSO's the opportunity to buy-back credited service as long as they are a current member in the PERS system. Those who opt-out are not eligible.
- Section 10: Adds a non-profit regional corporation, specific only to VPSO's employed by the corporation, to the definition of "employer" in statute.
- Section 11: Amends current definition of "peace officer" to include regional public safety officer.
- Section 12: Applicability: the act does not modify the contractual terms between the state and the nonprofit corporation.

# FISCAL NOTE

**STATE OF ALASKA**  
**2001 LEGISLATIVE SESSION**

Fiscal Note Number: \_\_\_\_\_  
 Bill Version: CSSB 145 (FIN)  
 ( ) Publish Date: \_\_\_\_\_  
 Dept. Affected: Public Safety  
 BRU: VPSO Program  
 Component: VPSO/contracts  
 Component Number: 516

Revision Date/Time (Note if correction): \_\_\_\_\_  
 Title: An Act relating to the expansion of the Village  
public safety officer program to include the provision of . . .  
 Sponsor: Senator Halford  
 Requester: Senate Finance Committee

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services	165.6	331.3	331.3	331.3	331.3	331.3
Travel	4.7	9.4	9.4	9.4	9.4	9.4
Contractual	127.7	32.7	32.7	32.7	88.7	32.7
Supplies	29.2	7.6	12.3	7.6	23.8	12.3
Equipment						
Land & Structures						
Grants & Claims	779.9	779.9	779.9	779.9	779.9	779.9
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>1,107.1</b>	<b>1,160.9</b>	<b>1,165.6</b>	<b>1,160.9</b>	<b>1,233.1</b>	<b>1,165.6</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

FUND SOURCE	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
1002 Federal Receipts						
1003 GF Match						
1004 GF	1,006.0	1,160.9	1,165.6	1,160.9	1,233.1	1,165.6
1005 GF/Program Receipts						
1037 GF/Mental Health						
1007 I/A Receipts	101.1					
<b>TOTAL</b>	<b>1,107.1</b>	<b>1,160.9</b>	<b>1,165.6</b>	<b>1,160.9</b>	<b>1,233.1</b>	<b>1,165.6</b>

Estimate of any current year (FY2001) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal:

**POSITIONS**

POSITIONS	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Full-time	4	4	4	4	4	4
Part-time						
Temporary						

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

See attached pages for line-item details by section.

In FY2002 one-time federal grant funding will be available to cover training and equipment related costs including: ALETS Academy, boat lease/purchases, snowmachines and four-wheelers.

Prepared by: Ken Bischoff, Director Phone 465-5488  
 Division: Administrative Services Date/Time 4/23/01 12:00 AM  
 Approved by: Glenn Godfrey, Commissioner Date 4/23/01  
 Agency: Department of Public Safety

For distribution information, call the Governor's Legislative Office

SB 145 makes two significant changes to the current Village Public Safety Officer (VPSO) program. First, VPSO program is amended to specifically incorporate probation and parole activities. Secondly, VPSOs would be made members of the Public Employees' Retirement System (PERS). The bill will also create a new Regional Public Safety Officer job class.

Note: Fiscal note was developed based upon the assumption that all provisions of the bill are fully funded. To the extent program changes under Sec. 4 – 8 are not funded, the VPSO program will necessarily experience a reduction in funded positions and/or direct services provided.

Sec. 2 of the bill expands the Village Public Safety Officer (VPSO) program to include probation and parole supervision to persons under supervision of the Department of Corrections (DOC). VPSOs will be required to communicate with and monitor the activities and progress of these persons at the direction of DOC probation and parole officers. Chapter 137 SLA 98 provided \$115,000 to establish a Pilot Project within the VPSO program to provide probation and parole supervision through the Bristol Bay Native Association (BBNA) and their eleven (11) VPSOs. \$20,000 was provided to train the 11 VPSOs on Probation/Parole supervision duties and \$95,000 for direct compensation. The pilot program has been continued through FY2000 and FY2001 with level funding.

	Personal Services	Indirect Costs	Total	Employees	Grand Total
Per VPSO Cost	\$ 6,784	\$ 1,843	\$ 8,627	11	\$ 94,987

Based on current contract with BBNA for 11 VPSOs (in bold above). Total contract is for \$94,897

SB 145 proposes to expand the VPSO oversight program to the other eight (8) regional non-profits who collectively employ 73.5 VPSOs. Using the same rate of compensation developed for the pilot program noted above, a statewide program will require \$634.1 in additional funding.

New 8 VPSO Programs compensation:

Native Corporations	APIA	AVCP	CHUG	KANA	KAWE	MANI	TCC	THCC	TOTAL
VPSOs	5.5	26	3	5	10	7	10	7	73.5
VPSO Personal Services	\$ 6,784	\$ 6,784	\$ 6,784	\$ 6,784	\$ 6,784	\$ 6,784	\$ 6,784	\$ 6,784	
Individual Indirect Costs	\$ 1,843	\$ 1,843	\$ 1,843	\$ 1,843	\$ 1,843	\$ 1,843	\$ 1,843	\$ 1,843	
Total for Personal Services	\$37,312	\$176,384	\$20,352	\$33,920	\$67,840	\$47,488	\$67,840	\$ 47,488	\$498,624
Total for Indirect Costs	\$10,137	\$ 47,918	\$ 5,529	\$ 9,215	\$18,430	\$12,901	\$18,430	\$ 12,901	\$135,461
Total	\$47,449	\$224,302	\$25,881	\$43,135	\$86,270	\$60,389	\$86,270	\$ 60,389	\$634,085

Amount noted above (\$634.1) is reflected on the Grants & Claims line.

**Sec. 3** of this legislation will expand public safety presence in rural Alaska with the establishment of four Regional Public Safety Officer positions. Six months of funding and associated up front costs are requested in FY02. Details below:

	Year 1 FY02	Year 2 FY03	Year 3 FY04	Year 4 FY05	Year 5 FY06	Year 6 FY07
Average Cost of Entry Level Officer (Four Positions)	165.6	331.3	331.3	331.3	331.3	331.3
<b>Personal Services Total</b>	<b>165.6</b>	<b>331.3</b>	<b>331.3</b>	<b>331.3</b>	<b>331.3</b>	<b>331.3</b>
Instate Field Travel (transp, PD, training, aircraft charter)	4.7	9.4	9.4	9.4	9.4	9.4
<b>Travel Total</b>	<b>4.7</b>	<b>9.4</b>	<b>9.4</b>	<b>9.4</b>	<b>9.4</b>	<b>9.4</b>
Communications & DP Services (phones, fax, radio, data, postage, DP services)	12.7	25.3	25.3	25.3	25.3	25.3
Photo Processing/Reproduction	0.4	0.7	0.7	0.7	0.7	0.7
ALETS Academy Costs (tuition)	28.3					
PSEA Physical	1.2	1.2	1.2	1.2	1.2	1.2
Boat Lease/Purchase	48.0				21.6	
Computer Lease/Purchase	9.6				9.6	
Snow machine/Four-wheeler	24.8				24.8	
Misc. Contractual (conf., training, equip. repair)	2.7	5.5	5.5	5.5	5.5	5.5
<b>Contractual Total</b>	<b>127.7</b>	<b>32.7</b>	<b>32.7</b>	<b>32.7</b>	<b>88.7</b>	<b>32.7</b>
Office & DP Supplies	1.4	2.8	2.8	2.8	2.8	2.8
Uniform & Access. (est. life 18 mos.)	9.4		4.7		4.7	4.7
Ammunition, law enforcement, fuel.	2.4	4.8	4.8	4.8	4.8	4.8
Firearms (Pistol & Shotgun)	4.5					
Radios	11.5				11.5	
<b>Supplies Total</b>	<b>29.2</b>	<b>7.6</b>	<b>12.3</b>	<b>7.6</b>	<b>23.8</b>	<b>12.3</b>
<b>Combined Total</b>	<b>327.2</b>	<b>381.0</b>	<b>385.7</b>	<b>381.0</b>	<b>453.1</b>	<b>385.7</b>

Personal Services: Year 1 costs equals six months of salary & benefits (74A - Bethel Location)

Contractual: Year 1 includes 1/2 cost of "annualized contractual", one-time purchases (ALETS Training), and Equipment Lease/Purchase (boat, snow-machine, four-wheeler, and computer).

Supplies: Year 1 includes 1/2 cost of "annualized supplies" and one-time purchases (firearms and radio).

General Notes:

In calculating the cost per officer, we did not include office space.

Sections 4 – 7 relate to making VPSOs members of the State's PERS retirement system

Nonprofit	Employer Contributions					Employee Contributions	
	FY01 Salaries 1	PERS % 2	Indirect Rate 3 Column 1x2	PERS Retirement 4 column 3x4	PERS % 5	PERS Retirement 6 column 1x6	
APIA	195,025	8.26%	16,109	1.253	20,185	6.75%	13,164
AVCP	889,212	8.26%	73,448	1.162	85,348	6.75%	60,022
BBNA	347,209	8.26%	28,679	1.273	36,509	6.75%	23,437
CHUG	66,781	8.26%	5,516	1.300	7,171	6.75%	4,508
KANA	126,875	8.26%	10,479	1.258	13,184	6.75%	8,564
KAWA	351,769	8.26%	29,056	1.260	36,611	6.75%	23,744
MANI	231,628	8.26%	19,132	1.220	23,342	6.75%	15,635
TCC	376,758	8.26%	31,120	1.167	36,317	6.75%	25,431
THCC	196,896	8.26%	16,263	1.165	18,947	6.75%	13,290
Base Total	2,782,153				277,613		187,795
PERS costs attributed to Probation and Parole Monitoring	573,200	8.26%	47,346	1.208	57,194	6.75%	38,691
					334,807		226,486
Net Offset for existing retirement benefits					(189,000)		
<b>Net PERS Employer Fiscal Impact</b>					<b>145,807</b>		

The amount noted above (\$145.8) is reflected on the Grants & Claims line.

NOTES:

1. The non-profits presently pay retirement benefit contributions of approximately \$189,000. This fiscal note is prepared on the assumption that participation in PERS would eliminate current retirement cost reimbursements to non-profits where VPSOs become PERS members. The fiscal note amount is reduced by netting \$334,807 in projected PERS costs against the \$189,000 in current retirement cost reimbursements.
2. Assumes that mandatory Employee contributions of 6.75% would be deducted from the employee's salary and have no impact to the non-profits employers or state grant program. It is the department's understanding that VPSOs do not presently make employee contributions to existing non-profit retirement plans.
3. Section 5 relates to entitlement to prior credited service. Employees do not have an option to buy back credited service until vested, after 5 years. At that time, the cost would fall solely to the employee. VPSOs who become PERS members would become Tier III members and would vest for retirement in 5 years, vest in 10 years for medical and would be eligible for retirement at age 60.
4. Salaries related to probation monitoring and parole activities were from the sum of salaries reported on the two schedules on page two of this fiscal analysis.

# FISCAL NOTE

**STATE OF ALASKA**  
**2001 LEGISLATIVE SESSION**

Fiscal Note Number: 3  
 Bill Version: SB145  
 () Publish Date: \_\_\_\_\_

Revision Date/Time: 04/17/01 4:20 p.m. m. Dept. Affected: Corrections  
 Title: An Act relating to regional and village public BRU: Administration & Operations  
safety officers; relating to the expansion of the village public... Component: Community Corrections Dir. Office  
 Sponsor: Representative Coghill  
 Requester: House Special Committee on Education Component Number: 1382

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services	49.8	66.5	66.5	66.5	66.5	66.5
Travel	75.4	45.0	45.0	45.0	45.0	45.0
Contractual	15.0	20.0	20.0	20.0	20.0	20.0
Supplies	35.0	47.0	47.0	47.0	47.0	47.0
Equipment	20.0	6.0	6.0	6.0	6.0	6.0
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>195.2</b>	<b>184.5</b>	<b>184.5</b>	<b>184.5</b>	<b>184.5</b>	<b>184.5</b>

<b>CAPITAL EXPENDITURES</b>						
<b>CHANGE IN REVENUES ( )</b>						

**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	69.8	96.5	184.5	184.5	184.5	184.5
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other IA 1007*	125.4	88.0				
<b>TOTAL</b>	<b>195.2</b>	<b>184.5</b>	<b>184.5</b>	<b>184.5</b>	<b>184.5</b>	<b>184.5</b>

Estimate of any current year (FY2001) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal:

**POSITIONS**

Full-time	1	1	1	1	1	1
Part-time						
Temporary						

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

This bill will expand the duties of Village Public Safety Officers to include assisting Field Probations Officers in monitoring probationers and parolees in rural communities. It will require coordinating with all the non-profit regional corporations to provide oversight to all of the communities. In addition, it will require initial and on-going training and field auditing to assure community safety and probationer/parolee compliance. FY02 reflects a 9 month period and the remaining years are full fiscal years. In order to accomplish this, the Department of Corrections will adopt regulations in accordance with Sec. 18.65.670(c). This will require: 1 Probation Officer IV, staff travel and 5 days centralized training for 74 VPSOs, office rent and communications costs for staff, supplies including office and urinalysis testing supplies for probationers, and equipment to include a staff computer (1st year) and breathalyzers for VPSOs.

\*Interagency Receipts from the Dept. of Public & Safety for training of VPSOs for FY02 & FY03. Subsequent years will require other sources of funds.

Prepared by: Candace Brower

Division: Commissioner's Office

Approved by: Margaret Pugh *Margaret H. Pugh*

Phone 465-4652

Date/Time 4/17/01 4:30pm

Date 4/17/01

# FISCAL NOTE

**STATE OF ALASKA**  
**2001 LEGISLATIVE SESSION**

Fiscal Note Number: \_\_\_\_\_  
 Bill Version: CS SB 145(FIN)  
 ( ) Publish Date: \_\_\_\_\_

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Administration  
 Title: An Act relating to the expansion of the village BRU: Centralized Administrative Services  
public safety officer program Component: Retirement and Benefits  
 Sponsor: Senator Halford  
 Requester: Senate Finance Component Number: 64

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2001) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

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

CSSB 145(FIN) will not increase cost to the Public Employees Retirement System because all costs will be fully paid by the VPSO's and their employers.

Prepared by: Guy Bell, Director Phone 465-4471  
 Division: Retirement and Benefits Date/Time: April 18, 2001  
 Approved by: Jim Duncan, Commissioner Date: April 18, 2001  
 Agency: Department of Administration

For distribution information, call the Governor's Legislative Office



IRA Council  
P.O. Box 100  
Shaktoolik, Alaska 99771-0100

Phone (907) 955-3701

Fax (907) 955-2352

March 28, 2001

The Honorable Donny Olson  
State Capitol, Room 510  
Juneau, Alaska 99801

Dear Senator Olson:

We support the efforts to pass Senate Bill 145. VPSO's provide law enforcement, fire suppression, emergency medical services, and search and rescue services in rural and isolated communities throughout Alaska - hence their motto "First Responder. Last Frontier." They have very broad responsibilities and they are, in most instances the lone trained, unarmed officer in their community.

VPSO's are paid anywhere from 14-38% less than their municipal counterparts employed in like positions. Their benefits need to be consistent with other peace officers in Alaska PERS. The VPSO turnover rate is mainly due to low wages and benefits provided in relation to the high responsibility and dangerous nature of their job.

We are grateful that Senate Bill 145 was introduced and we thank you for this time to express our support. We urge the Alaska Legislature to appropriate additional funds for VPSO wage increases to be brought to an equitable level so as to improve the provision of rural public safety in the State of Alaska.

Sincerely,

Edgar M. Jackson Sr.  
President

cc: Senator Rick Halford  
Senator Dave Donley  
Senator Pete Kelly  
Josie Stiles, Kawcrak VPSO Program

*King Island*

PHONE 907 486 2222

*Native Community*

March 27, 2001

The Honorable Rick Halford  
State Capital Room 7  
Juneau, AK 99801

Dear Senator Halford:

We support the efforts to pass Senate Bill 145 which was introduced by Senate President Rick Halford. The VPSO's provide law enforcement, fire suppression, emergency medical services and search and rescue services in rural and isolated communities throughout Alaska - thus their motto "First Responders, Last Frontier". They have very broad responsibilities and they are in most instances the lone, trained, unarmed peace officer in their community.

VPSO's are paid anywhere from 14-38% less then their municipal counterparts employed in the same positions. Their benefits should be consistent with other peace officers in Alaska PERS. The VPSO turnover rate is mainly due to low wages and benefits provided in relation to the high responsibility and dangerous nature of their job.

We are pleased that Senate Bill 145 was introduced and we thank you for this time to express our support. We urge the Alaska Legislature to appropriate additional funds for VPSO wage increases to be brought to a fair level so as to improve the provision of rural public safety in the State of Alaska.

Respectfully,

*Carmelita Nattanguk*

Carmelita Nattanguk  
Chief

City of Shaktoolik



P. O. Box 10  
Shaktoolik, Alaska 99771

March 28, 2001

The Honorable Rick Halford  
State Capital, Room 7  
Juneau, Alaska 99801

Dear Senator Halford

We are in support of passing Senate Bill 145. The VPSO's provide law enforcement, fire, suppression, emergency medical services, and search and rescue services in rural and isolated communities throughout Alaska. They have very broad responsibilities and they are, in most instances the lone, trained, unarmed peace officer in their communities.

VPSO's are paid anywhere from 14 to 38% less than their municipal counterparts employed in similiar positions. The VPSO's benefits need to be consistent with other peace officers in Alaska PERS. The VPSO turnover rate is mainly due to low wages and benefits provided in relation to the high responsibility and dangerous nature of their position.

We are grateful that Senate Bill 145 was introduced in which we are in support of. We would like to thank you for your time in supporting our VPSO Program throughout Alaska. We would like to urge the Alaska Legislature to appropriate funding for VPSO wage increase so that it can be brought to an equitable level. Thank You for supporting Senate Bill 145.

Sincerely

A handwritten signature in cursive script, appearing to read "Edgar M. Jackson Sr.", is written over the typed name.

Edgar M. Jackson Sr.-City of Shaktoolik  
Mayor

Shishmaref Kawerak, Inc  
P.O. Box 154  
Shishmaref, Alaska 99772

.....  
**Kawerak, Inc.**

April 2, 2001

The Honorable Rick Halford  
State Capitol, Room 7  
Juneau, Alaska 99801

Dear Senator Halford:

I support the efforts to pass Senate Bill 145.

VPSO's put their lives on the line in a job that is both dangerous and demanding in order to serve their communities.

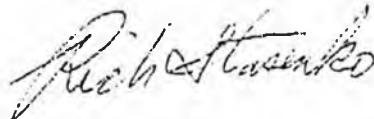
They provide law enforcement, fire suppression, emergency medical services, and search and rescue services in rural and isolated communities throughout Alaska - hence their motto "First Responders, Last Frontier." They have very broad responsibilities and they are, in most instances, the lone, trained, unarmed peace officer in their community.

Yet, VPSO's are underpaid. Their pay is 14-38% less than their municipal counterparts employed in like positions. Their benefits needs to be consistent with other peace officers in Alaska PERS.

Low wages and fewer benefits promote a high turnover rate for VPSO's. This fact puts people in Rural Communities at risk. It is critical to the safety and health of the citizens Rural Alaska to pass Senate Bill 145.

I am grateful for the introduction of Senate Bill 145. The Alaska Legislature needs to support Senate Bill 145 with appropriate funds.

Sincerely,



Rich Stasenko  
Regional EET Specialist

CITY OF GAMBELL

March 29, 2001

TO: Honorable Rick Halford  
State Capitol, RM# 7  
Juneau, AK 99801

FROM: City of Gambell  
P.O. Box 189  
Gambell, AK 99742

Dear Senator Halford,

The City of Gambell supports the passage of Senate Bill 145. VPSO's are our #1 Rural Law Enforcement Officers, in which they provide law enforcement, search & rescue, EMT, and fire support in our communities.

VPSO's are paid less than other municipal counterparts which are employed in the same field, law enforcement. Their benefits should also be the same as other peace officers in Alaska, which are under the PERS. VPSO's turnover rate is high due to low wages, their employed in a highly dangerous job, where they are unarmed.

We are thankful that Senate Bill 145 was introduced. We urge the Alaska Legislature to pass the Senate Bill, this Bill could greatly improve Public Safety in Rural Alaska, with the increase of wages & benefits for the VPSO's.

Wilbur Booslu  
Mayor  
City of Gambell

Preston Apangalouk  
City Administrator  
for Wilbur Booslu  
*[Signature]*

March 28, 2001

The Honorable Rick Halford  
State Capital, Room 7  
Juneau, Alaska 99801

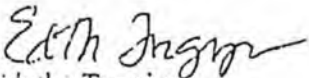
Dear Senator Halford:

I am writing this as an individual, strongly supporting Senate Bill 145. I have known this issue to be the most important and yet never get any support whatsoever since time immemorial. It is long overdue, and I am glad to see it is finally getting attention and support the program needs.

To give you my experience, I am from Gambell, now living in Nome. Gambell always had and will always have law enforcement problems. Even with the funding from the Federal COPS and UHP, where we created Peace Officer positions with much higher hourly wages, we still see high turn over, due to lack of training, benefits and support from the community. I believe we will have interest from the community members and non-residents alike if this important Bill passes. We have experienced and seen much heartache, as Gambell is notoriously known for crimes that you do not see in many small communities, which I'm sure the State is aware of.

Again, I am in full support of this important Bill and I hope it will get full support from legislation! Thank- you.

Sincerely,

  
Edythe Tungiyah  
Dedicated Voter from Nome Area

Brevig Mission V.P.S.O.  
P.O. Box 79  
Brevig Mission, Alaska 99785  
Phone: (907) 642-2264

March 28, 2001

The Honorable Rick Halford  
State Capitol, Room 7  
Juneau, Alaska 99801

Dear Senator Halford:

As a V.P.S.O. and a citizen of rural Alaska I strongly support the efforts to pass Senate Bill 145. As a V.P.S.O. I provide law enforcement, fire suppression, emergency medical services and search and rescue services in my rural community of Brevig Mission. In most situations I'm alone with no back up or help, and most of the situations that I must face are dangerous and potentially life threatening.

We as V.P.S.Os are paid anywhere from 14-38% less than our municipal counterparts employed in like positions. Due to our low wages I'm forced to take an extended leave of absence from the V.P.S.O. program to pursue a higher paying job opportunity, which will begin in the spring and last till late fall, so that I may make ends meet financially.

I'm truly grateful that Senate Bill 145 was introduced and I thank you for this time to express my support. I urge the Alaska Legislature to appropriate additional funds for V.P.S.O. wage increases to be brought to an equitable level so as to improve the provision of rural public safety in the State of Alaska.  
"First Responders, Last Frontier."

Sincerely,

Ronald J. Bloomstrand Jr.  
Village Public Safety Officer



KAWERAK, INC.



P.O. BOX 948 • NOME, ALASKA 99762

TELEPHONE: (907) 443-5231 • FAX: (907) 443-3708

- SERVING THE VILLAGES OF:
- URFVIG MISSION
- COUNCIL
- DIOMEDE
- ELIM
- GAMBEL
- GOLOVIN
- KING ISLAND
- KUYUK
- MARYS IGLOO
- NOME
- SAVOONGA
- SHAKTOOLIK
- SHISHMAREF
- SOLOMON
- STEBBINS
- ST. MICHAEL
- TELLU R
- UNAJAKIFFT
- WALES
- WHITE MOUNTAIN

March 28, 2001

The Honorable Rick Halford  
 The Honorable Dave Donley  
 The Honorable Pete Kelly  
 The Honorable Donny Olson  
 State Capitol  
 Juneau, Alaska 99801

Gentlemen:

On behalf of Kawerak Inc., I am writing to express our support for the passage of Senate Bill 145. Village Public Safety Officers (VPSOs) provide law enforcement, fire suppression, emergency medical services, and search and rescue services in rural and isolated communities throughout Alaska - hence their motto "First Responder Last Frontier." They have very broad responsibilities and they are, in most instances, the lone, trained, unarmed peace officer in their community.

VPSO's are paid anywhere from 14-38% less than their municipal counterparts employed in like positions. Their benefits need to be consistent with other peace officers in Alaska. The VPSO turnover rate is mainly due to low wages and benefits provided in relation to the high responsibility and dangerous nature of their job.

We are grateful that Senate Bill 145 was introduced and we encourage you to actively work for its passage. We urge the Alaska Legislature to appropriate additional funds for VPSO wage increases to be brought to an equitable level so as to improve the provision of rural public safety in the State of Alaska.

Sincerely,

Kawerak Inc.

Loretta Bullard  
 President

cc: Senator Ward, Senator Lincoln, Senator Hoffman, Senator Austerman

City of St. Michael  
Box 70  
St. Michael, Alaska 99659  
Ph.#. (907) 923-3222 Fax #(907) 923-2284

March 30, 2001

The Honorable Donald C. Olson  
Alaska State Senator  
State Capital, Room 510  
Juneau, Alaska 99801

Dear Senator Olson:

First of all I would like to thank Rick Halford who introduced the legislation on Senate Bill 145 and Senate Finance Co-Chair Dave Donley and Pete Kelly. The Village Public Safety Officer Program is the only other service provided to 227 tribes in the great state of Alaska.

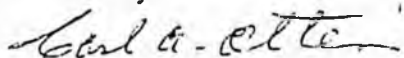
Unlike the other 226 villages St. Michael populace of 412+ people depend on our female VPSO For the demand of vital services such as search and rescue, and supervise people on probation and parole. Our nearest Alaska State Trooper who are located in Nome are 93 airmiles North of St. Michael. Because of the lack of domestic supervision for persons on probation , Recurring incarceration incidents occur for the same people. Making it more expensive and Overbooked jails throughout the state.

The VPSO wages and retirement benefits are long over due. The facilities in the villages are Shacks and the one in St. Michael in squeezed into a small 16'x16' and one tiny cell @ 10'x 6', Built into our small community building which is 23 years old.

We should not take precious time away from VPSO's when they are trying to be eligible for Foodstamps that takes lots of time and effort when they have to get their wages faxed in or other pertinent information for Public Assistance or another part time job.

Thank you for your very important legislation and we give you elected leaders the power of Authority to enhance the Safety, Health and Welfare of our 226 villages who lack the many Resources a number of the metropolitan cities already have in this great big beautiful State of Alaska.

Sincerely:



Carl A. Otten  
The Honorable Mayor  
City of St. Michael

Cc: The Honorable Alaska State Senator Rick Halford  
The Honorable Alaska State Senator Dave Donley  
The Honorable Alaska State Senator Pete Kelly

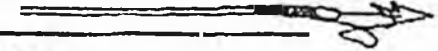
Co/vw



KAWERAK, INC.



PO. BOX 948 • NOME, ALASKA 99762



TELEPHONE: (907) 443-5231 • FAX: (907) 443-~~2591~~ 4452

- SERVING THE VILLAGES OF:
- BREVIG MISSION
- COUNCI
- DICMEDE
- EUM
- GAMBELL
- COLOVIN
- KING ISLAND
- KOYUK
- MARYS GLOO
- NOME
- SAYOONGA
- SHAKTOOLIK
- SHISHMARUP
- SOLOMON
- STEBBINS
- ST. MICHAEL
- FELLER
- UNALASKA
- WALE
- WHITE MOUNTAIN

RESOLUTION 01-05

Support for Alaska Senate Bill 145 - VPSO Program

Whereas, Village Public Safety Officers provide law enforcement, fire suppression, emergency medical services, and search and rescue services in rural and isolated communities throughout Alaska - hence their motto "First Responders - Last Frontier;" and

Whereas, Village Public Safety Officers have very broad responsibilities and they are, in most instances, the lone, trained, unarmed peace officer in their community; and

Whereas, Village Public Safety Officers are paid up to 38% less than their municipal counterparts employed in like positions;

Whereas, the benefits provided to Village Public Safety Officers need to be consistent with other peace officers in the Alaska Public Employees Retirement System (PERS); and

Whereas, the high turnover rate of Village Public Safety Officers is mainly due to the low wages and benefits provided in relation to the high responsibility and dangerous nature of their job; and

Whereas, Senate Bill 145 has been introduced in the Alaska Senate that would make additional funding available for Village Public Safety Officers wages by having them provide parole supervision services at the village level, and to allow Village Public Safety Officers to participate in PERS;

Now therefore be it resolved the Kawerak Board of Directors expresses their collective support for Senate Bill 145 and requests the Alaska Legislature to pass the bill; and

Be it further resolved that the Kawerak Board urges the Alaska State Legislature to appropriate additional funds for VPSO wage increases (at least 30%) in order to be brought to an equitable level so as to improve the provision of rural public safety in the State of Alaska.

Signatures:

Robert J. Keith  
Robert Keith, Chairman

04/06/2001  
Date

Certification

I, the undersigned Secretary of Kawerak Inc. hereby certify that the foregoing resolution was adopted by the Kawerak Board of Directors at a duly convened meeting held in Nome on April 6, 2001.

Mary Darlene Charles  
Mary Darlene Charles, Secretary



City of  
White Mountain  
P.O. BOX 130  
White Mountain, AK 99714  
(907) 638-3411

APR 17 2001

The Honorable Rick Halford  
State Capital, Room 7  
Juneau, Alaska 99801

April 2, 2001

Dear Senator Halford,

We support to pass Senate Bill 145. VPSO's provide law enforcement, fire suppression, emergency medical services, and search and rescue services in rural and isolated communities throughout Alaska-hence their motto "First Responders, Last Frontier." They have broad responsibilities and they are, in most instances, the lone, trained, unarmed peace officer in their community.

VPSO's are paid anywhere from 14-38% less than their municipal counterparts employed in like positions. Their benefits need to be consistent with other peace officers in Alaska PERS. The VPSO turnover rate is mainly due to low wages and benefits provided in relation to the high responsibility and dangerous nature of their job.

We are grateful that Senate Bill 145 was introduced and we thank you for this time to express our support. We urge the Alaska Legislature to appropriate additional funds for VPSO wage increases to be brought to an equitable level so as to improve the provision of rural public safety in the State of Alaska.

Sincerely,

Tom Gray  
Mayor  
City of White Mountain

cc: Kawerak Inc.



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## Senate approves bill boosting pay, benefits to rural public safety officers

By DAN JOLING  
Associated Press Writer

JUNEAU (AP) -- A bill to increase village public safety officers' pay and benefits -- as well as their duties -- was approved by the Senate on Monday.

Aimed at reducing an annual turnover rate that averages 40 percent, Senate Bill 145 would make officers eligible for the state's retirement system and boost pay by just more than 11 percent. In exchange, officers will take on probation and parole responsibilities in their communities on top of their five current duties, which include law enforcement, firefighting, search and rescue, water safety and emergency medical services.

Senate President Rick Halford, R-Chugiak, and 15 co-sponsors put their names on the bill.

"It's the top priority of mine," Halford said. "I believe it will do more good for less money for more people in greater need than many of the other things we do."

Starting pay for a VPSO starts at \$11 to \$15 per hour, depending on the region, said Royce Weller, special assistant to the commissioner of Public Safety. The bill, carrying an initial price tag of \$1.3 million, will add \$5,000 to \$6,000 annually to officers' pay, bringing it up to about \$35,000 for a job that requires being on call 24 hours per day, seven days per week, Halford said.

The bill expands to the entire state a successful two-year pilot project tried out in the Bristol Bay Native Association with 11 officers. Besides benefiting officers, the bill would allow rural residents on parole or probation to return to their home communities rather than stay in urban areas under the jurisdiction of Department of Corrections officers.

According to a University of Alaska Anchorage study last year, a typical officer stays with the program less than two years, and the cost to the state is not cheap. The state estimates it spends \$6,200 to hire, train and equip each new VPSO. The time between a resignation and the hiring of

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a replacement is more than four months.

The study asked 113 out of a possible 184 current and former VPSOs about working conditions. Sixty percent said they supplemented their incomes, including 20 percent who used food stamps and 48 percent who worked at extra job.

The study determined that 80 percent of the officers believed they were lucky not to have been injured during some part of their jobs. Thirty-seven percent had been injured making an arrest and almost 40 percent had responded to calls in which gunshots were fired.

Sen. Georgianna Lincoln, D-Rampart, said VPSOs earn what janitors make in rural communities.

"To me it is such an important, huge step," Lincoln said of the salary and benefits boost.

"Their life is on the line sometimes," Lincoln said. "They're right there answering domestic violence calls, and people who are armed, and people who are under the influence."

Turnover is not the only problem, Lincoln said. As of last August, the state had 71 VPSOs serving 70 villages, but 53 villages had authorized positions that were vacant.

The bill also calls for the hiring of four regional public safety officers who would help train and supervise VPSOs in villages. The new positions are career incentives that VPSOs now do not have, Halford said.

Lincoln and Halford expect the bill to eventually save the state money. More VPSOs will mean fewer trips by Alaska State Troopers to villages, Lincoln said.

Rural residents on parole and probation in cities are subject to alcohol, drugs and predators, Halford said.

"They end up violating their conditions of parole and probation and end up going back to jail," he said.

"In my opinion, in the long term, through the successful avoidance of incarceration for probation violations, it will return maybe more than that to the state and certainly more than that in the value of self-respect to the people involved," Halford said.

The bill now moves to the House for consideration.

Discuss this story in our [Discussion Forum](#)

**HB**

**149**



# Alaska State Legislature

**Interim:**

Legislative Affairs Agency, LIC  
145 Main St. Loop, Second Floor  
Kenai, AK 99611  
Phone: (907) 283-7223



**Session:**

State Capitol, Room 432  
Juneau, AK 99801-1182  
Phone: (907) 465-3779  
Fax: (907) 465-2833

## Representative Mike Chenault District 9

### SPONSOR STATEMENT FOR HOUSE BILL 149

House Bill 149 was introduced simply to transfer the authority to construct a private prison from Ft. Greely/Glennallen area to the Kenai Peninsula Borough.

This will create a construction project worth an estimated *67 Million Dollars*, and will provide the Kenai/Nikiski area with an additional stable economic base. In addition the State of Alaska has been supplementing the economy of Florence, Arizona upwards of 20 million dollars per year. It would only make sense to bring those dollars back to Alaska.

Currently I am putting together the specific cost multiplier benefits that will occur when the facility is constructed in Kenai. Future direct economic impacts as a result of stable economic development will be an important portion of the study that will be available in a few days.

Thank you for your time and consideration. If you have any questions please call Sue in my office at 465-3779.

REVISED 03/03 10 A.M.

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# Kenai Peninsula Borough Private Prison Proposal

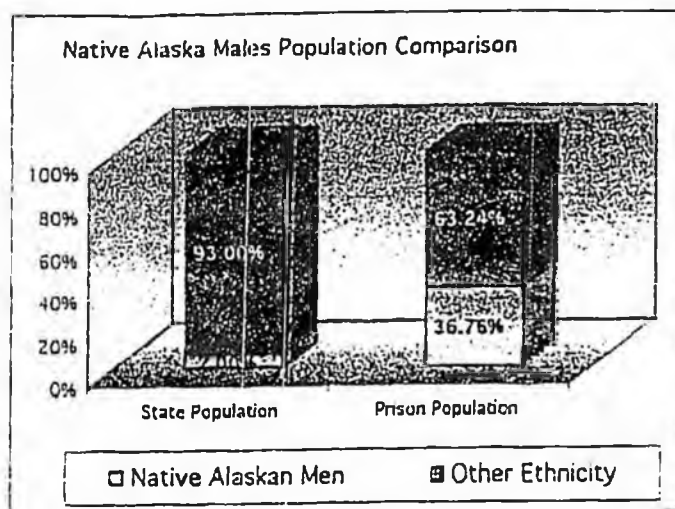
## LEGISLATIVE HISTORY

In 1995 all of Alaska's prisons and jails were at, or over emergency capacity. The State was found in contempt of court and the Department of Corrections was ordered to reduce inmate populations to court approved levels. As a stopgap measure, the Department entered into a contract to house Alaska prisoners in a privately owned and operated prison in Arizona. Today, more than 800 Alaska prisoners are housed in Arizona, resulting in an annual loss to the Alaska economy of \$18 million in operating funds and roughly 250 jobs.

The social cost to Alaska is even more significant. More than 300 of the prisoners housed in Arizona are Alaska Natives. Many of these offenders are from remote regions of Alaska, far removed from the cultural support systems necessary for rehabilitation.

This hardship affects all Alaskan prisoners housed "outside", but the disparate impact upon Native Alaskans calls into question a problem of grave social consequence: Alaska Native males make up only seven percent of Alaska's general population, yet Alaska Native men comprise a tragic thirty-seven percent of Alaska's prison population. These offenders do not fit conventional patterns of criminality and they do not respond to standard correctional programs. Except for the ravages of alcohol, most Alaska Native offenders could lead productive lives.

The problem of out-of-state incarceration is compounded by the extraordinarily high cost of building and staffing State operated prisons and jails. The Alaska Legislature confronted these issues head on in 1998 and 1999 by authorizing the construction and operation of a private prison



in Alaska, on Fort Greely, near Delta Junction (HB53, SB 141). The enabling legislation was intended to bolster the economy of that region, after base closure, by returning the prisoners housed in Arizona.

The Delta prison plan enabled the Department of Corrections to petition the Superior Court for relief from monitoring imposed by the Cleary Final Settlement Agreement. The Department submitted a plan citing the Delta Junction prison as the centerpiece of its prison population management strategy. The court approved the Department's plan to return the prisoners held in Arizona to Alaska by 2003. The court released the Department from Cleary oversight after seventeen continuous years of monitoring and litigation.

Fort Greely will officially close in July 2001, but complications associated with the transition of the base facilities as well as uncertainties associated with the proposed National Missile Defense System have derailed any hope of developing a prison on Fort Greely for the foreseeable future.

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## The Issue

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Failure of the Delta Junction prison leaves serious matters of social and economic policy unresolved and exposes the State of Alaska to the possible, if not probable, risk of:

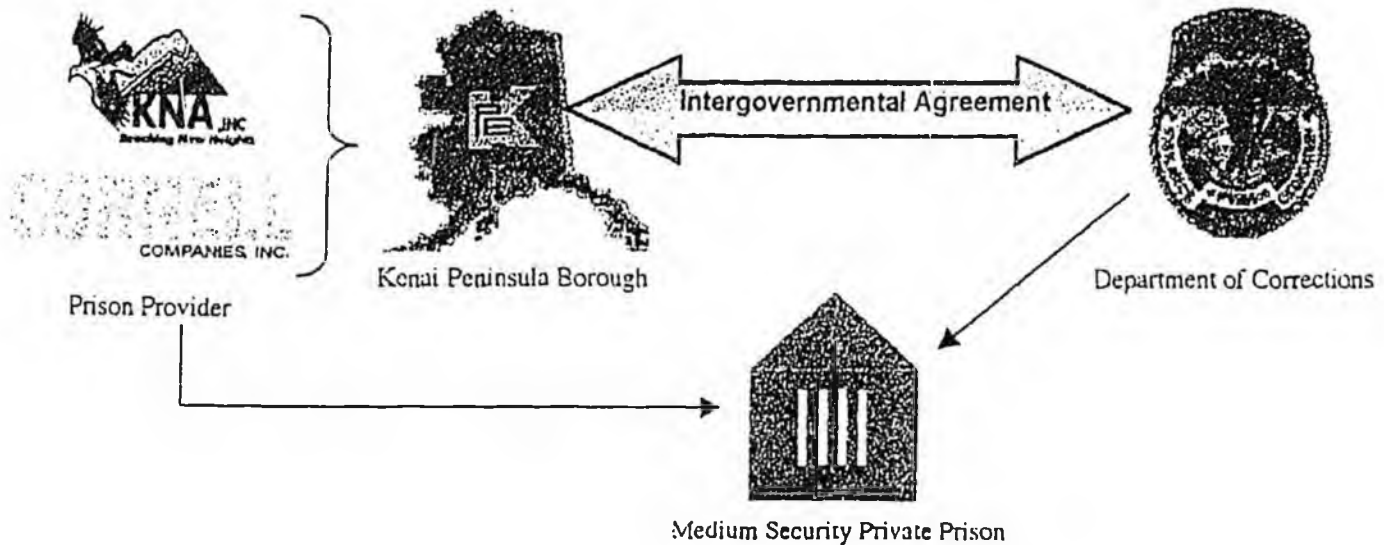
- ★ Renewed court monitoring of the DOC
- ★ Renewed court sanctions for prison overcrowding.
- ★ Class action or individual lawsuits for impairing the rehabilitation rights of Alaska prisoners housed in Arizona.
- ★ Class action or individual lawsuits for disparate treatment of Alaska Native prisoners.

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## The Proposal

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The Kenai Natives Association and their partner Cornell Companies have teamed with the Kenai Peninsula Borough to offer the State Department of Corrections a viable alternative to the Delta Junction prison plan.



## The Plan

The Kenai Peninsula Borough (KPB) has completed a competitive procurement similar to the procedures established in the State Procurement Code to select a private, third party contractor to promote, design, build and operate the prison for the first five years.

Having one private entity provide the design, construction and operation of the prison

minimizes the financial risk to the State. Design/build contracts avoid the risk of contractor claims arising from cost overruns by

transferring the responsibility for design and construction to one private entity. Having the same entity responsible for operation ensures that the private party bears the risk of operating the prison under the reimbursement budget created by the intergovernmental agreement between the State and the Borough. Allocating

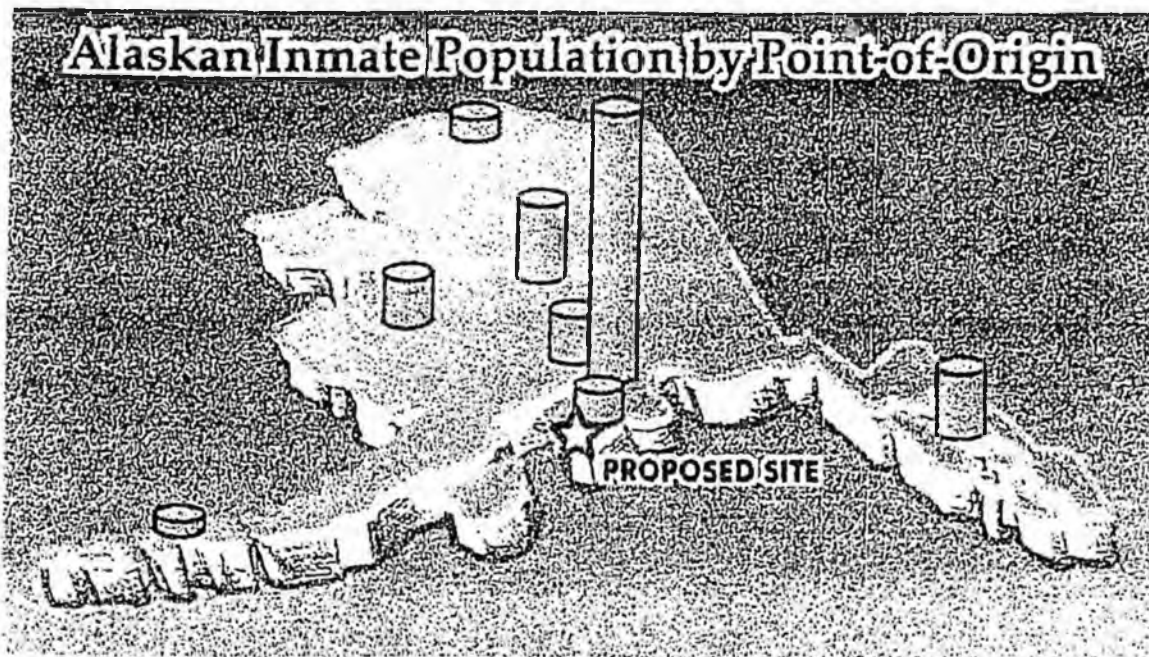
that risk to one developer imposes proper market incentives to make cost effective decisions in design and construction that will lower operating expense (e.g. maintenance, staffing efficiency, materials).

The KPB will finance construction through the sale of tax exempt bonds. The bonds will be secured by an intergovernmental agreement to lease eight hundred prison beds for a period of twenty years.

When one private company is responsible for designing, building and operating a prison, financial risk to the State is minimized.

The prison will be located on Kenai Natives Association land adjacent to the existing state operated Wildwood

Correctional Center. Cornell Companies of Alaska will operate the prison during the first five-year term with indigenous, culturally relevant programs augmented by the Kenai Natives Association in cooperation with other Native corporate and tribal stakeholders.



## The Mission

The proposed prison will be built and operated to the highest standards of the correctional industry, as well as existing standards unique to the Alaska Department of Corrections. But the guiding intent and mission of this facility is to

exceed the general security and program requirements of the DOC by offering the Alaska Native community the opportunity to take responsibility for programs designed to reduce recidivism among Alaska Native peoples.

## Economic and Social Benefits

- ★ Materials, goods and services for an 800 bed prison construction project;
- ★ 300-400 prevailing wage construction jobs;
- ★ 250 ± permanent Alaska prison jobs;
- ★ \$18 million per year returned to the Alaska economy;
- ★ Diminished State exposure to legal liability;
- ★ Alaska Native Empowerment;
- ★ Economic and social benefits of reduced recidivism among Alaska Natives; and
- ★ Enhanced opportunity for rehabilitation of all Alaska prisoners returned from Arizona.

**ALASKA FEDERATION OF NATIVES, INC.**  
 1577 C Street, Suite 300, Anchorage, Alaska 99501  
 907-274-3611 Fax 907-276-7989

Board of Directors  
 Board Resolution 00-07

TITLE: IN SUPPORT OF A PRIVATE PRISON ON KENAI NATIVE ASSOCIATION, INC. (KNA) WILDWOOD PROPERTY

WHEREAS: the Kenai Native Association, Inc. (KNA) has undertaken the development of a private prison to be located on their Wildwood property; and

WHEREAS: the State of Alaska has a critical need for prison beds to alleviate the current overcrowding in the prison system; and

WHEREAS: the State is currently sending Alaska prisoners to serve their time at a private prison in Arizona because of the overcrowding situation; and

WHEREAS: Alaska Native males comprise 37% of the male prison population and of the 1,500+ prisoners sent to Arizona approximately 37% of these individuals are Alaska Natives; and

WHEREAS: having Alaska Native males so far from their homes and villages place an undue hardship upon their families and deprives them of cultural considerations while serving their sentences; and


WHEREAS: the State of Alaska spends over \$16 million per year to keep these prisoners in Arizona when the funds would be better spend supporting a private Alaskan prison at Wildwood; and

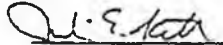
WHEREAS: the proposed private prison facility being developed by KNA would be more adept at meeting the cultural and rehabilitative needs of the Alaska Native prisoners; and

WHEREAS: the completion of this facility will assist in the effort to bring our people home from confinement in Arizona;

NOW THEREFORE BE IT RESOLVED that the Alaska Federation of Natives Board of Directors does fully endorse and support the Kenai Native Association, Inc. in the development of their private prison project.

Adopted this 19<sup>th</sup> day of December, 2000

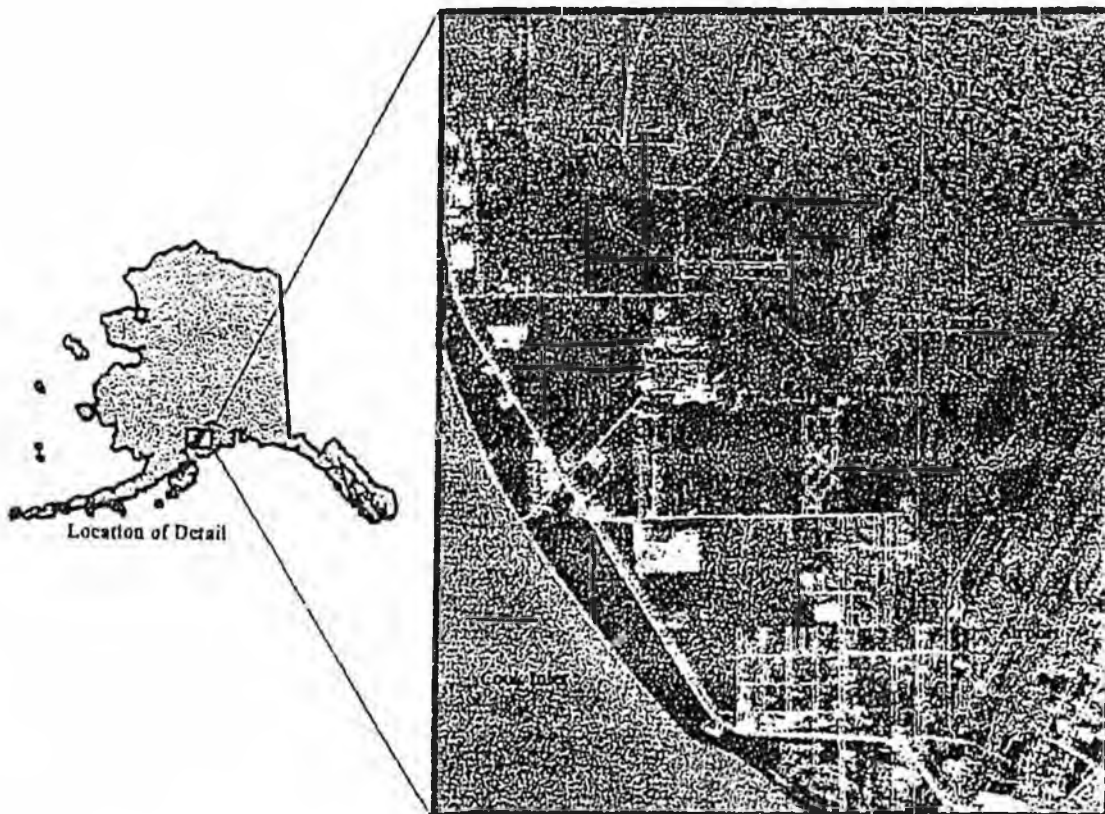
Corporate Seal: 

  
 Julie E. Kirka, President

## The Site

The Kenai Natives Association owns several hundred acres of land abutting the Kenai Airport and Wildwood Correctional Center. Sixty to one hundred acres near the Wildwood Correctional Center will be used for the new prison. The Kenai Natives Association land has been identified as meeting and, in many cases exceeding, State and national site criteria for

prisons. If a proposed road from the airport to the site is approved, inmates can be transported to and from Wildwood and the new facility without entering the City of Kenai. Co-locating the new facility in close proximity to the existing State operated facility will facilitate program, operational and security efficiency.



### Site Advantages

**Adjacent to  
Wildwood  
Correctional Center**

- Neighborhood Acceptance
- Potential Sharing of Services with WCC
- Common Security

### Accessibility

- Secure Access to Airport
- Good Highway Transportation

### Existing Utilities

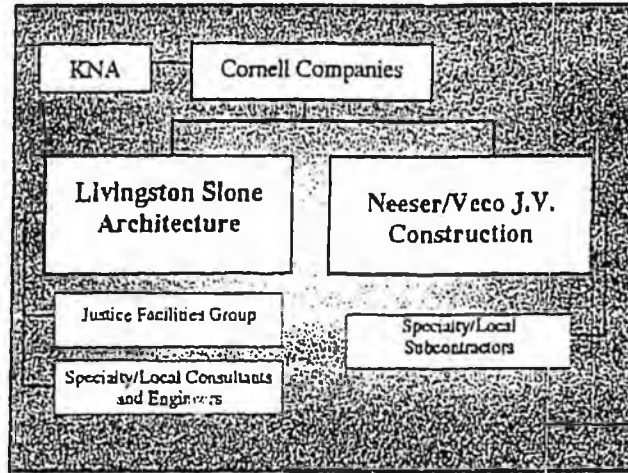
**Readily Developable Site**

**Large Parcel Allows Optimum Security**

**Close to Community Services**

## The Design and Construction Team

The principal design and construction contractors will be three Alaska corporations: Livingston Slone Inc., VECO Alaska, Inc. and Neeser Construction, Inc. Each company has individually, and through joint ventures, participated in the design, construction and project management of



many of Alaska's largest public projects including the new Anchorage Jail, The Elmendorf Military Mall and the Alaska SeaLife Center. The prime contractors will subcontract services from local companies as well as correctional facility design specialists Justice Facilities Group of Olympia, Washington.



## The Operator

Cornell Companies of Alaska will operate the proposed prison for the initial first five-year term of the contract with the State. Cornell is the largest private company currently providing correctional services in Alaska. Cornell is one of the top three private corrections companies in the United States

and the only company offering juvenile and adult secure, pre-release and treatment programs.

Cornell operates 72 facilities in 13 states and the District of Columbia with a total service capacity of 14,845 prison, jail, pre-release and treatment beds.

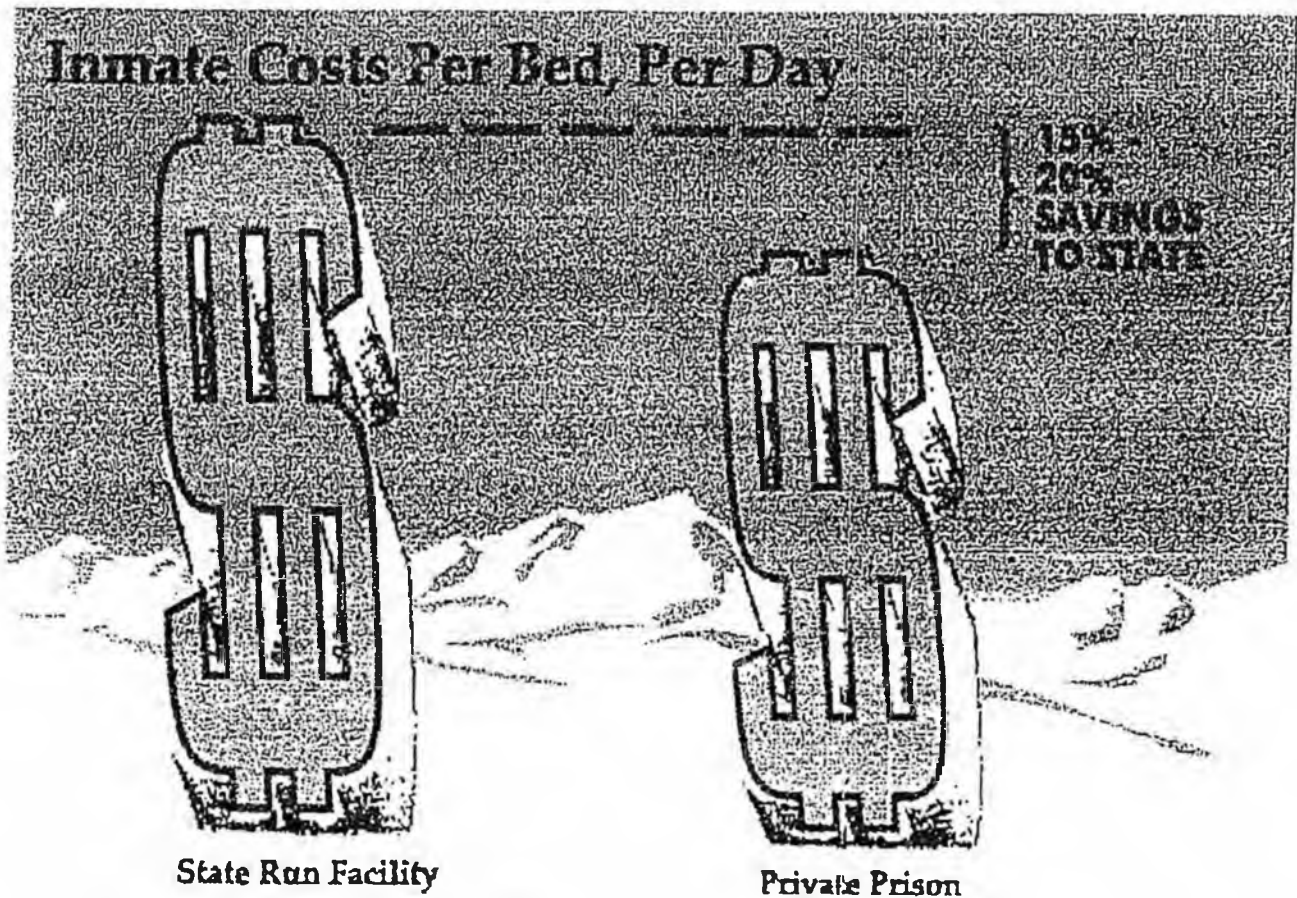


*Kenai Peninsula Borough  
Private Prison*

# The Cost

A publicly financed, privately built and operated facility will save the State from twelve to twenty percent of the cost of similar facilities operated by the State. Additionally, the savings in a private

facility includes debt service, a cost never factored into the average daily operating cost of State prisons and jails.



# Bill History/Action Display



BILL: HB 53                      SHORT TITLE: LEASE-PURCHASE CORRECTIONAL FACILITIES  
 BILL VERSION: SCS CSHB 53(FIN) AM S  
 SPONSOR(S) : REPRESENTATIVES(S) MULDER

CURRENT STATUS: CHAPTER 15 SLA 98                      STATUS DATE: 4/24/98  
 EFFECTIVE DATE OF LAW 4/25/98

TITLE: "An Act expressing legislative intent without the force of law concerning correctional facility space and the Cleary v. Smith case; adding, as a general power of municipalities, the power to provide for, and enter into agreements concerning the confinement and care of prisoners; relating to authorizing the Department of Corrections to enter into agreements to lease facilities for the confinement and care of prisoners with the City of Delta Junction and with the Municipality of Anchorage; and providing for an effective date."

Full Text

Fiscal Note Info

## Committee Action With Bill History

Jrn-Date	Jrn-Page	Action
1/13/97	<u>41</u>	(H) PREFILE RELEASED 1/10/97
1/13/97	<u>41</u>	(H) READ THE FIRST TIME - REFERRAL(S)
1/13/97	<u>41</u>	(H) STATE AFFAIRS, FINANCE
2/19/97	<u>406</u>	(H) JUD REFERRAL ADDED
2/21/97	<u>428</u>	(H) STA REFERRAL WAIVED
4/04/97	<u>985</u>	(H) JUD RPT CS(JUD) 2DNF 4NR
4/04/97	<u>985</u>	(H) DNP: CROFT, BERKOWITZ
4/04/97	<u>985</u>	(H) NR: GREEN, JAMES, BUNDE, PORTER
4/04/97	<u>985</u>	(H) 3 FNS (REV, DOT, COR)
4/04/97	<u>985</u>	(H) ZERO FISCAL NOTE (ADM)
2/18/98	<u>2343</u>	(H) FIN RPT CS(FIN) NT 6DP 1NR
2/18/98	<u>2344</u>	(H) DP: THERRIAULT, HANLEY, MULDER, MARTIN,
2/18/98	<u>2344</u>	(H) KOHRING, DAVIS; NR: GRUSSENDORF
2/18/98	<u>2344</u>	(H) LETTER OF INTENT WITH FIN REPORT
2/18/98	<u>2345</u>	(H) INDETERMINATE FISCAL NOTE (COR)
2/18/98	<u>2345</u>	(H) 2 ZERO FISCAL NOTES (ADM, REV)
3/04/98	<u>2492</u>	(H) RLS RPT CS(RLS) NT 3DP 3NR
3/04/98	<u>2493</u>	(H) DP: KOTT, PHILLIPS, PORTER; NR: NICHOLIA
3/04/98	<u>2493</u>	(H) ELTON, WILLIAMS
3/04/98	<u>2493</u>	(H) LETTER OF INTENT WITH RLS REPORT
3/04/98	<u>2494</u>	(H) INDETERMINATE FISCAL NOTE (COR) 2/18/98
3/04/98	<u>2494</u>	(H) 2 ZERO FNS (ADM, REV) 2/18/98
3/04/98	<u>2501</u>	(H) RULES TO CALENDAR 3/4/98
3/04/98	<u>2501</u>	(H) READ THE SECOND TIME
3/04/98	<u>2502</u>	(H) RLS CS ADOPTED UNAN CONSENT
3/04/98	<u>2502</u>	(H) AM NO 1 WITHDRAWN
3/04/98	<u>2503</u>	(H) AM NO 2            FAILED    Y10 N28 E2
3/04/98	<u>2504</u>	(H) AM NO 3            FAILED    Y8 N29 E2 A1
3/04/98	<u>2505</u>	(H) AM NO 4            FAILED    Y10 N28 E2
3/04/98	<u>2505</u>	(H) AM NO 5            FAILED    Y11 N27 E2
3/04/98	<u>2507</u>	(H) AM NO 6            FAILED    Y8 N25 E2 A5
3/04/98	<u>2508</u>	(H) AM NO 7            FAILED    Y9 N25 E2 A4
3/04/98	<u>2509</u>	(H) AM NO 8 OFFERED
3/04/98	<u>2509</u>	(H) AM TO AM 8 ADOPTED UNAN CONSENT
3/04/98	<u>2509</u>	(H) AM NO 8 AS AMENDED FAILED Y10 N26 E2 A2
3/04/98	<u>2510</u>	(H) ADVANCED TO THIRD READING 3/6 CALENDAR

3/06/98	<u>2544</u>	(H)	READ THE 3RD TIME CSHB 53 (RLS) (TITLE AM)
3/06/98	<u>2544</u>	(H)	RETURN TO SECOND FOR AM 9 UNAN CONSENT
3/06/98	<u>2544</u>	(H)	AM NO 9 ADOPTED UNAN CONSENT
3/06/98	<u>2545</u>	(H)	...CHANGES TITLE OF LEGISLATION
3/06/98	<u>2545</u>	(H)	AUTOMATICALLY IN THIRD READING
3/06/98	<u>2545</u>	(H)	PASSED Y30 N5 E5
3/06/98	<u>2545</u>	(H)	EFFECTIVE DATE(S) SAME AS PASSAGE
3/06/98	<u>2545</u>	(H)	{H} ADOPTED RLS LETTER OF INTENT
3/06/98	<u>2553</u>	(H)	TRANSMITTED TO (S)
3/09/98	<u>2789</u>	(S)	READ THE FIRST TIME - REFERRAL(S)
3/09/98	<u>2789</u>	(S)	FINANCE
3/26/98	<u>3006</u>	(S)	FIN RPT SCS WITH SAME TITLE
3/26/98	<u>3006</u>	(S)	2DP 1DNP 1DNP/AM 3NR
3/26/98	<u>3007</u>	(S)	DP: PHILLIPS, DONLEY; DNP: ADAMS
3/26/98	<u>3007</u>	(S)	DNP/AM: TORGERSON, NR: PARNELL,
3/26/98	<u>3007</u>	(S)	SHARP, PEARCE
3/26/98	<u>3007</u>	(S)	(H) LETTER OF INTENT WITH FIN REPORT
3/26/98	<u>3007</u>	(S)	(H) ZERO FNS (ADM, REV)
3/26/98	<u>3007</u>	(S)	FN (COR)
3/31/98	<u>3069</u>	(S)	RULES TO CALENDAR & 2DNP 3/31/98
3/31/98	<u>3071</u>	(S)	READ THE SECOND TIME
3/31/98	<u>3071</u>	(S)	FIN SCS ADOPTED UNAN CONSENT
3/31/98	<u>3072</u>	(S)	AM NO 1 FAILED Y7 N12 E1
3/31/98	<u>3073</u>	(S)	AM NO 2 ADOPTED UNAN CONSENT
3/31/98	<u>3073</u>	(S)	AM NO 3 FAILED Y8 N11 E1
3/31/98	<u>3074</u>	(S)	ADVANCED TO THIRD READING UNAN CONSENT
3/31/98	<u>3074</u>	(S)	READ THE 3RD TIME SCS CSHB 53 (FIN) AM S
3/31/98	<u>3074</u>	(S)	(S) ADOPTED (H) LETTER OF INTENT
3/31/98	<u>3075</u>	(S)	PASSED Y12 N7 E1
3/31/98	<u>3075</u>	(S)	EFFECTIVE DATE ADPTD Y19 N- E1
3/31/98	<u>3075</u>	(S)	ADAMS NOTICE OF RECONSIDERATION
4/01/98	<u>3095</u>	(S)	RECON TAKEN UP - IN THIRD READING
4/01/98	<u>3095</u>	(S)	(S) ADOPTED (H) LETTER OF INTENT
4/01/98	<u>3095</u>	(S)	PASSED ON RECONSIDERATION Y13 N7
4/01/98	<u>3096</u>	(S)	EFFECTIVE DATE ADPTD Y20 N-
4/01/98	<u>3098</u>	(S)	TRANSMITTED TO (H) AS AMENDED
4/02/98	<u>2848</u>	(H)	HELD UNDER UNFINISHED BUSINESS
4/02/98	<u>2858</u>	(H)	CONCUR AM OF (S) Y31 N2 E3 A4
4/02/98	<u>2860</u>	(H)	EFFECTIVE DATE(S) SAME AS PASSAGE
4/07/98	<u>2915</u>	(H)	MANIFEST ERROR
4/07/98	<u>2915</u>	(H)	2:20 PM 4/7/98 TRANSMITTED TO GOVERNOR
4/27/98	<u>3266</u>	(H)	SIGNED INTO LAW 4/24 CHAPTER 15 SLA 98
4/27/98	<u>3267</u>	(H)	EFFECTIVE DATE OF LAW 4/25/98

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BASIS Last Updated 12/31/98

AMENDMENT #1

OFFERED IN THE HOUSE

BY REPRESENTATIVE HAYES

TO: HB 149

1 Page 1, line 13, through page 2, line 2:

2 Delete "agreement to lease entered into under this section is predicated on and must  
3 provide for an agreement between the Kenai Peninsula Borough and a private third-party  
4 contractor under which the private third-party contractor constructs and operates the facility  
5 by providing for"

6 Insert "Kenai Peninsula Borough is expected to enter into an agreement with a private  
7 third-party contractor for the operation of the facility. This agreement must provide for the"

8

9 Page 2, line 5:

10 Delete "a competitive process similar to the procedures"

11 Insert "the competitive process"

*Not submitted*

AMENDMENT #1

OFFERED IN THE HOUSE

BY REPRESENTATIVE HAYES

TO: HB 149

1 Page 1, line 13, through page 2, line 2:

2 Delete "agreement to lease entered into under this section is predicated on and must  
3 provide for an agreement between the Kenai Peninsula Borough and a private third-party  
4 contractor under which the private third-party contractor constructs and operates the facility  
5 by providing for"

6 Insert "Kenai Peninsula Borough is expected to enter into an agreement with a private  
7 third-party contractor for the operation of the facility. This agreement must provide for the"

8

9 Page 2, line 5:

10 Delete "a competitive process similar to the procedures"

11 Insert "the competitive process"



# HOUSE STATE AFFAIRS COMMITTEE

STATE CAPITOL, ROOM 102  
465-4963

## MEMORANDUM

### COMMITTEE MEMBERS

Rep. John Coghill  
Chairman  
Room 102  
465-3719

Rep. Hugh Fate  
Vice-Chair  
Room 416  
465-4976

Rep. Jeannette James  
Room 214  
465-3743

Rep. Gary Stevens  
Room 428  
465-4925

Rep. Peggy Wilson  
Room 409  
465-3824

Rep. Harry Crawford  
Room 426  
465-3438

Rep. Joe Hayes  
Room 422  
465-3466

Date: March 19, 2001

To: Members of House State Affairs Committee

From: Rynnieva Moss, Committee Aide *R. Moss*  
House State Affairs Committee

Re: HB 149 Subcommittee Meeting

---

My apologies for not being as thorough as normal but I can not find the file on my laptop where I took notes.

The Subcommittee appointed by Chairman Coghill met Thursday, March 15<sup>th</sup> at 3:00 p.m. The Subcommittee was chaired by Representative James and other committee members included Representatives Joe Hayes and Hugh Fate. Other persons attending the meeting included Mark Higgins of the Kenai Peninsula Borough, Frank Prewitt of Cornell Corrections, Denny Dewitt from Representative Mulder's office, Deven Mitchell of Department of Revenue, Cathe Heroy of Representative Hayes' office, Barbara Cotting of Representative James' office, Brenda Balash of Representative Fate's office, Margot Knuth of the Department of Corrections, and Sean Cockerham of the Fairbanks News-Miner.

The Subcommittee recommended that the HB 149 be returned to full committee without any recommended changes for passage. It also recommended that if Representative Hayes would like his amendment approved, he could present it to the full committee on Tuesday.



# HOUSE STATE AFFAIRS COMMITTEE

STATE CAPITOL, ROOM 102

465-4963

## MEMORANDUM

### COMMITTEE MEMBERS

Rep. John Coghill  
Chairman  
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465-3719

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465-3438

Rep. Joe Hayes  
Room 422  
465-3466

Date: March 19, 2001

To: Members of House State Affairs Committee

From: Rynnieva Moss, Committee Aide  
House State Affairs Committee

A handwritten signature in cursive script, appearing to read "Rynnieva Moss".

Re: HB 149 Subcommittee Meeting

---

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The Subcommittee recommended that the HB 149 be returned to full committee without any recommended changes for passage. It also recommended that if Representative Hayes would like his amendment approved, he could present it to the full committee on Tuesday.

HB 149

Amendment #4

Hayes

page 2 line 16 delete

Sec. 2 repealer

Hayes Coghill Yeas

A M E N D M E N T

OFFERED IN STATE AFFAIRS

BY REPRESENTATIVE HAYES

TO: HB 149

1 Page 2, line 16

2 Delete: All of Section 2

3

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16 Failed 2 yeas Hayes, Coghill

17 5 nays Crawford, Fate, Stevens, Wilson, James

18

AMENDMENT

By

OFFERED IN THE HOUSE  
HB 149

Line 15, page 2

Add:

(4) The cost of construction per bed shall not be more than the Anchorage Jail project.

(5) The cost of daily operation per bed shall not be more than Spring Creek Correctional Center.

Amendment

OFFERED TO THE HOUSE

TO: HB 149

Page 1, line 13, through page 2, line 15:

1 Delete "The agreement to lease entered into under this section is predicated on and  
2 must provide for an agreement between the Kenai Peninsula Borough and a private  
3 third-party contractor under which the private third-party contractor constructs and  
4 operates the facility by providing for custody, care, and discipline services for persons  
5 held by the commissioner of corrections under authority of state law. The  
6 commissioner of corrections shall require in the agreement with the Kenai Peninsula  
7 Borough that the Kenai Peninsula Borough procure the private third-party operator  
8 through a competitive process similar to the procedures established in AS 36.30  
9 (State Procurement Code)."

10 (c) The authorization given by (a) of this section is subject to the following  
11 conditions:

12 (1) the lease must provide a minimum of 800 prison beds;

13 (2) the agreement to lease must contain terms providing that the commissioner  
14 of corrections may terminate for cause a contract with a private third-party  
15 contractor operating the facility in accordance with the provisions of (b) of this  
16 section;

17 (3) the commissioner may not enter into an agreement with an agency unable to  
18 provide or cause to be provided a degree of custody, care, and discipline  
19 similar to that required by the laws of this state.

20 \* Sec. 2. Section 4, ch. 15, SLA 1998, and sec. 6, ch. 35, SLA 1999, are repealed.  
21

22 Insert "The agreement to lease entered into under this section is predicated on and  
23 must provide for an agreement between the Kenai Peninsula Borough and a private  
24 third-party contractor under which separate bids will be submitted for:

25 (1) A private third party contractor constructs that facility; and

26 (2) A private third party contractor operates the facility by providing for custody,  
27 care, and discipline services for persons held by the commissioner of corrections  
28 under authority of state law.

29 (c) The authorization given by (a) and (b) of this section is subject to the  
30 following conditions:

31 (1) The commissioner of corrections shall require in the agreement with the Kenai  
32 Peninsula Borough that the Kenai Peninsula Borough procure the private third  
33 party operator(s) through the competitive process established in AS 36.30 (State  
34 Procurement Code).

35 (2) the lease must provide a minimum of 800 prison beds;

36 (3) the agreement to lease must contain terms providing that the commissioner  
37 of corrections may terminate for cause a contract with a private third-party  
38 contractor operating the facility in accordance with the provisions of (b) of this  
39 section;

40 (4) the commissioner may not enter into an agreement with an agency unable  
41 to provide or cause to be provided a degree of custody, care, and discipline  
42 similar to that required by the laws of this state.

43 \* Sec. 2. Section 4, ch. 15, SLA 1998, and sec. 6, ch. 35, SLA 1999, are  
repealed.

From Legislative Ethics Statute.

AS 24.60.030(e) A legislator may not directly, or by authorizing another to act on the legislator's behalf,

- (1) agree to, threaten to, or state or imply that the legislator will take or withhold a legislative, administrative, or political action, **including support or opposition to a bill**, employment, nominations, and appointments, as a result of a person's decision to provide or not provide a political contribution, donate or not donate to a cause favored by the legislator, or provide or not provide a thing of value;

(Emphasis added)

Sec. 24.60.030. Prohibitions related to conflicts of interest and unethical conduct.

(a) A legislator or legislative employee may not

(1) solicit, agree to accept, or accept a benefit other than official compensation for the performance of public duties; this paragraph may not be construed to prohibit lawful solicitation for and acceptance of campaign contributions or the acceptance of a lawful gratuity under AS 24.60.080;

(2) use public funds, facilities, equipment, services, or another government asset or resource for a nonlegislative purpose, for involvement in or support of or opposition to partisan political activity, or for the private benefit of either the legislator, legislative employee, or another person; this paragraph does not prohibit

(A) limited use of state property and resources for personal purposes if the use does not interfere with the performance of public duties and either the cost or value related to the use is nominal or the legislator or legislative employee reimburses the state for the cost of the use;

(B) the use of mailing lists, computer data, or other information lawfully obtained from a government agency and available to the general public for nonlegislative purposes;

(C) telephone or facsimile use that does not carry a special charge;

(D) the legislative council, notwithstanding AS 24.05.190, from designating a public facility for use by legislators and legislative employees for health or fitness purposes; when the council designates a facility to be used by legislators and legislative employees for health or fitness purposes, it shall adopt guidelines governing access to and use of the facility; the guidelines may establish times in which use of the facility is limited to specific groups; or

(E) a legislator from using the legislator's private office in the capital city during a legislative session, and for the five days immediately before and the five days immediately after a legislative session, for nonlegislative purposes if the use does not interfere with the performance of public duties and if there is no cost to the state for the use of the space and equipment, other than utility costs and minimal wear and tear, or the legislator promptly reimburses the state for the cost; an office is considered a legislator's private office under this subparagraph if it is the primary space in the capital city reserved for use by the legislator, whether or not it is shared with others;

(3) knowingly seek, accept, use, allocate, grant, or award public funds for a purpose other than that approved by law, or make a false statement in connection with a claim, request, or application for compensation, reimbursement, or travel allowances from public funds;

(4) require a legislative employee to perform services for the private benefit of the legislator or employee at any time, or allow a legislative employee to perform services for the private benefit of a legislator or employee on government time; it is not a violation of this paragraph if the services were performed in an unusual or infrequent situation and the person's services were reasonably necessary to permit the legislator or legislative employee to perform official duties;

(5) use or authorize the use of state funds, facilities, equipment, services, or another government asset or resource for the purpose of political fund raising or campaigning; this paragraph does not prohibit

(A) limited use of state property and resources for personal purposes if the use does not interfere with the performance of public duties and either the cost or value

related to the use is nominal or the legislator or legislative employee reimburses the state for the cost of the use;

(B) the use of mailing lists, computer data, or other information lawfully obtained from a government agency and available to the general public for nonlegislative purposes;

(C) telephone or facsimile use that does not carry a special charge;

(D) storing or maintaining, consistent with (b) of this section, election campaign records in a legislator's office; or

(E) a legislator from using the legislator's private office in the capital city during a legislative session, and for the five days immediately before and the five days immediately after a legislative session, for nonlegislative purposes if the use does not interfere with the performance of public duties and if there is no cost to the state for the use of the space and equipment, other than utility costs and minimal wear and tear, or the legislator promptly reimburses the state for the cost; an office is considered a legislator's private office under this subparagraph if it is the primary space in the capital city reserved for use by the legislator, whether or not it is shared with others.

(b) A legislative employee may not on government time assist in political party or candidate activities, campaigning, or fund raising. A legislator may not require an employee to perform an act in violation of this subsection.

(c) Unless approved by the committee, during a campaign period for an election in which the legislator or legislative employee is a candidate, a legislator or legislative employee may not use or permit another to use state funds, other than funds to which the legislator is entitled under AS 24.10.110, to print or distribute a political mass mailing to individuals eligible to vote for the candidate. In this subsection,

(1) a "campaign period" is the period that

(A) begins 90 days before the date of an election to the board of an electric or telephone cooperative organized under AS 10.25, a municipal election, or a primary election, or that begins on the date of the governor's proclamation calling a special election; and

(B) ends the day after the cooperative election, municipal election, or general or special election;

(2) a mass mailing is considered to be political if it is from or about a legislator, legislative employee, or another person who is a candidate for election or reelection to the legislature or another federal, state, or municipal office or to the board of an electric or telephone cooperative.

(d) A legislator, legislative employee, or another person on behalf of the legislator or legislative employee, or a campaign committee of the legislator or legislative employee, may not distribute or post campaign literature, placards, posters, fund-raising notices, or other communications intended to influence the election of a candidate in an election in public areas in a facility ordinarily used to conduct state government business. This prohibition applies whether or not the election has been concluded. However, a legislator may post, in the legislator's private office, communications related to an election that has been concluded.

(e) A legislator may not directly, or by authorizing another to act on the legislator's behalf,

(1) agree to, threaten to, or state or imply that the legislator will take or withhold a legislative, administrative, or political action, including support or opposition to a bill, employment, nominations, and appointments, as a result of a person's decision to provide or

not provide a political contribution, donate or not donate to a cause favored by the legislator, or provide or not provide a thing of value;

(2) state or imply that the legislator will perform or refrain from performing a lawful constituent service as a result of a person's decision to provide or not provide a political contribution, donate or not donate to a cause favored by the legislator, or provide or not provide a thing of value; or

(3) unless required by the Uniform Rules of the Alaska State Legislature, take or withhold official action or exert official influence that could substantially benefit or harm the financial interest of another person with whom the legislator is negotiating for employment.

(f) A legislative employee may not serve in a position that requires confirmation by the legislature. A legislator or legislative employee may serve on a board of an organization, including a governmental entity, that regularly has a substantial interest in the legislative activities of the legislator or employee if the legislator or employee discloses the board membership to the committee. A legislator or legislative employee who is required to make a disclosure under this subsection shall file the disclosure with the committee by the deadlines set out in AS 24.60.105 stating the name of each organization on whose board the person serves. The committee shall maintain a public record of the disclosure and forward the disclosure to the appropriate house for inclusion in the journal. This subsection does not require a legislator or legislative employee who is appointed to a board by the presiding officer to make a disclosure of the appointment to the committee if the appointment has been published in the appropriate legislative journal during the calendar year.

(g) Unless required by the Uniform Rules of the Alaska State Legislature, a legislator may not vote on a question if the legislator has an equity or ownership interest in a business, investment, real property, lease, or other enterprise if the interest is substantial and the effect on that interest of the action to be voted on is greater than the effect on a substantial class of persons to which the legislator belongs as a member of a profession, occupation, industry, or region.

(h) An employee who engages in political campaign activities other than incidental campaign activities during the employee's work day shall take leave for the period of campaigning. Political campaign activities while on government time are permissible if the activities are part of the normal legislative duties of the employee, including answering telephone calls and handling incoming correspondence.

History -

(Sec. 1 ch 36 SLA 1984; am Sec. 27 ch 85 SLA 1988; am Sec. 8 ch 167 SLA 1988; am Sec. 3 ch 127 SLA 1992; am Sec. 13 - 18 ch 74 SLA 1998)

Amendment Notes -

The first 1988 amendment, effective June 2, 1988, added "or" at the end of former paragraph (c)(1).

The second 1988 amendment, effective June 18, 1988, repealed former subsection (e), which related to activities which were not conflicts of interest.

The 1992 amendment, effective January 11, 1993, rewrote this section.

The 1998 amendment, effective January 1, 1999, in subsection (a), in paragraph (2) rewrote the introductory language, rewrote subparagraphs (A)-(C), added subparagraphs (D) and (E), and in paragraph (5) rewrote subparagraphs (A)-(C) and added subparagraphs (D) and (E); rewrote subsections (c), (d), and (g), added the last three sentences in subsection (f), and added subsection (h).

# FISCAL NOTE

**STATE OF ALASKA  
2001 LEGISLATIVE SESSION**

Fiscal Note Number: 1  
 Bill Version: HB 149  
 () Publish Date: 2/26/01

Title: An Act relating to correctional facility space and to authorize the DOC to enter into agreement.....  
 Sponsor: \_\_\_\_\_  
 Requester: State Affairs/ Finance  
 Dept. Affected: CORRECTIONS  
 BRU: Administration and Operations  
 Component: Office of the Commissioner  
 Component Number: 694

**Expenditures/Revenues (Thousands of Dollars)**

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services	71.0	71.0	71.0	326.0	255.0	255.0
Travel	5.0	5.0	5.0	5.0	0.0	0.0
Contractual	85.0	75.0	75.0	95.0	90.0	90.0
Supplies	1.5	1.5	1.5	1.5	0.0	0.0
Equipment	3.0	0.0	45.0	0.0	0.0	0.0
Land & Structures						
Grants & Claims						
Miscellaneous				1,210.4	477.5	477.5
<b>TOTAL OPERATING</b>	<b>165.5</b>	<b>152.5</b>	<b>197.5</b>	<b>1,637.9</b>	<b>822.5</b>	<b>822.5</b>

<b>CAPITAL EXPENDITURES</b>						
-----------------------------	--	--	--	--	--	--

<b>CHANGE IN REVENUES ( )</b>						
-------------------------------	--	--	--	--	--	--

**FUND SOURCE (Thousands of Dollars)**

1002 Federal Receipts						
1003 GF Match						
1004 GF	165.5	152.5	197.5	1,637.9	822.5	822.5
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
<b>TOTAL</b>	<b>165.5</b>	<b>152.5</b>	<b>197.5</b>	<b>1,637.9</b>	<b>822.5</b>	<b>822.5</b>

Estimate of any current year (FY2001) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal:

**POSITIONS**

Full-time	1	1	1	10	10	10
Part-time						
Temporary						

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

This bill allows the Commissioner of the Department of Corrections to enter into a Twenty-Year agreement predicated on an agreement with a private third-party contractor who will construct and operate the facility by providing for custody, care, and discipline for persons held by the commissioner of corrections under authority of state law. The agreement must be for a minimum of 800 prison beds and contain terms providing the commissioner of corrections may terminate for cause, and the commissioner may not enter into an agreement with an agency unable to provide or cause to be provided a degree of custody, care, and discipline similar to that required by the laws of Alaska.

DOC will require a Long-term Project position- Facilities Manager I to interface with the local government project during design and construction phases and through 1st year operations. Position costs \$71.0 per year through FY2005 and requires an additional \$14.5 of support costs for FY2002 and \$11.5 for FY2003-2005.

(CONTINUED ON PAGE 2 of 2)

Prepared by: Candace Brower Phone 465-4652  
 Division: Administrative Services Date/Time 3/14/2001 3:45PM  
 Approved by: Margaret M. Pugh, Commissioner Date 3/14/01  
 Agency: Department of Corrections

For distribution information, call the Governor's Legislative Office

**House Bill 149**

**"An Act relating to correctional facility space and to authorize the DOC to enter into agreement..."**

**Publish Date: 2/26/01**

**Page 2**

As Corrections Group North has noted, "Management problems in private prisons are the result of poorly drafted contracts [and] lack of oversight." The Department of Corrections (DOC) requires funds to enable the Agency to hire a professional who will negotiate the necessary prisoner care and operational contracts with the Kenai Peninsula Borough and its third party Representative. These contracts are to ensure they provide a degree of custody, care, and discipline similar to that required by the laws of this state. Estimate approximately \$185 per hour X 430 hours = \$79,950 or \$80.0. This is the estimated amount that the Municipality of Anchorage spent on their contract negotiations for the New Anchorage Jail. The Department assumes that all necessary contracts would be completed in FY2002.

The DOC also requires funds to enter into a professional service agreement for contract compliance monitoring services for the new Kenai Jail. The DOC must be assured that the Third-Party Operator of the facility complies with all of its contractual requirements to prevent and defend against potential litigation and/or liability for the State of Alaska. Monitoring services would include development of the monitoring instrument to include all aspects of correctional practice, on-going monthly monitoring, and reporting requirements. The Department estimates approximately \$100 per hour X 700 hours per year = \$70.0 per year beginning in FY2003.

State oversight of the new Kenai Facility will require the following additional 4 Permanent full-time state staff in the Department's budget for the life of the contract: (Assume that staff will begin work FY2005)

Two Probation Officer II's @ \$65.0 per year = \$130.0  
1 Nurse II @ \$65.0 per year  
1 Internal Auditor II @ \$60.0 year  
Support costs for 4 Positions @ \$5.0 per position = \$20.0

Data processing equipment will be needed to support DOC oversight staff and to interface with the new Kenai Jail with the Department's Management Information System. Data processing PC's, office equipment, miscellaneous equipment including the WAN/LAN connection. \$45.0 in FY2004

The DOC Transportation Section will require: four (4) additional Prisoner Transportation Officers based at the Kenai Jail (\$65.0 each X 4 = \$260.0) and one Officer in the Anchorage Central Office (\$60.0); safety and operating equipment for the five officers (\$14.9 Total One-Time); a new Van to transport prisoners back and forth from the Kenai Jail (\$30.0 one-time); travel and transportation funds to move prisoners from out of state to Kenai (one-time expenses of \$688.0); travel and transportation costs to handle routine needs at the facility (annual expenses estimated at \$12,500 per month X 12 months = \$150.0); and contractual services funds for miscellaneous equipment to support new officers, such as radios and weapons. (\$7.5).

Cost: \$1,210.4 (\$477.5 Annually starting in FY2005 and \$732.9 One-Time in FY2005.)

The DOC cannot presently calculate the new contractual service funds that will be needed to pay for the prisoner beds at the new Kenai Jail because sufficient information is not yet available. HB 149 only addresses the need for 800 beds for a minimum of 20 years agreement. We cannot speculate what the costs per day would be for each of the 800 beds. Thus, we can only submit an indeterminate amount for these services.

# Alaska State Legislature

## House of Representatives



Official Business

State Capitol  
Juneau, AK. 99801-1182

### Representative Mike Chenault

Alaska State Capitol, Room 432  
Juneau, Alaska 99801-1182  
Phone 907-465-3779  
Fax 907-465-2833

## MEMORANDUM

To: Representative John Coghill, Chair  
State Affairs Committee

From: Representative Mike Chenault, Sponsor

Date: March 7, 2001

Subject: Request for hearing – HB 149 “An Act relating to correctional facility space and to authorizing the Department of Corrections to enter into an agreement to lease facilities for the confinement and care of prisoners within the Kenai Peninsula Borough.”

---

Please schedule HB 149 for a hearing in the House State Affairs Committee  
For Thursday, March 15<sup>th</sup> or at your earliest convenience.

HB 149 allows the Kenai Peninsula Borough to enter into a contract for a private prison.  
A Sponsor Statement will be provided as soon as possible.

Please contact my staff aide, Sue Wright, at extension 3779 if you require  
additional information.

Distributed  
By  
Senator  
WARD

# Anchorage Daily News

**Michael J. Sexton**  
President and Publisher

**Patrick Dougherty**  
Editor

**Steve Lindbeck**  
Associate Editor

Founded in 1946 by Norman C. Brown

Fuller A. Cowell, Publisher, 1993-1999 Katherine Fanning, Editor and Publisher, 1971-1983  
Gerald E. Gilly, Publisher, 1984-1993 Lawrence Fanning, Editor and Publisher, 1967-1971

**COMPASS:** *Points of view from the community*

## Prison plan warrants backing

By FRANK PREWITT

In uncharacteristically blunt fashion, Byron Mallot recently condemned acts of violence against Alaska Natives and the failure of state policymakers to look directly into the face of racism in Alaska. It seems most Alaska Natives have patiently trusted that equal distribution of justice and resources would eventually find its way to the Native community. Finally, in the shadow of violence, the sleeping giant of self-determination appears to be waking.

Frozen paint balls of bias first burst in the face of the Kenai Natives Association last summer, when the skeleton of inequality tumbled from a closet in the state justice system. Rick Segura, president and CEO of the Kenai Natives Association, was exploring business opportunities for his small Native corporation, when he discovered that only 7 percent of Alaska's general population are Native males, but 37 percent of Alaska's prison population are Native men. A few phone calls later, Rick learned that over 300 Alaska Natives are imprisoned in the desert of Arizona, far from the cultural and behavioral support systems necessary for rehabilitation, victims of a stop-gap measure to relieve in-state prison overcrowding, now inexcusably in its seventh year.

While these men have committed serious crimes, Rick found that few Alaska Native prisoners fit conventional patterns of criminal behavior and most do not respond to conventional correctional programs. His research confirmed what Rick had always suspected: Except for the ravage of alcohol, most Native prisoners would have led and can, again, lead productive lives.

How tragic to commit a violent crime, harbor little or no recollection of the event, and live in exile with only pain and remorse as your cellmates.



*The economic benefits for all Alaskans are many: local consumption of materials, goods and services associated with a major construction project; over 300 construction jobs; roughly 250 permanent prison jobs; and over \$20 million annually spent in Alaska, rather than Arizona.*

Rick doesn't excuse his brothers' behavior, but he is concerned that the state seems ill-equipped or unable to break the cycle of destruction. The Alaska Judicial Council and University of Alaska Justice Center have repeatedly reported on cultural bias in our judicial system. Yet, simply put, we Alaskans continue to incarcerate more of our indigenous neighbors, per capita, than any other state, by overwhelming margins.

The Kenai Natives Association cannot fix the state justice system, but their board of directors has decided that they can commit their limited resources to reducing recidivism among Alaska Natives.

This month the Kenai Natives Association teamed with Cornell Companies and the Kenai Peninsula Borough to offer the state an alternative to out-of-state incarceration. The borough intends to sell bonds to finance a privately built and operated prison on Kenai Natives Association land adjacent to the existing, state-operated, Wildwood Correctional Center. The prison will be built to the highest standards of the industry and meet, or exceed, the security standards of the state Department of Corrections. Beyond conventional programs offered by the state, KNA's vision is to offer the Alaska Native community the opportunity to take responsibility for programs designed to target and eliminate the re-

volving door of Native incarceration.

The economic benefits for all Alaskans are many: local consumption of materials, goods and services associated with a major construction project; over 300 construction jobs; roughly 250 permanent prison jobs; and over \$20 million annually spent in Alaska, rather than Arizona.

The social benefits for all Alaskans are even more compelling: empowering Alaska Natives as stakeholders in the healing of their fathers, sons and brothers, as well as returning all Alaskan offenders imprisoned in Arizona nearer to the support systems necessary to effect life changing behavior.

On Dec. 19, 2000, the board of directors of the Alaska Federation of Natives passed a resolution which states, in part: "The AFN Board of Directors does fully endorse and support the Kenai Natives Association Inc. in the development of their private prison project."

As neighbors, we can all take a small step toward reconciliation by supporting the Kenai Natives Association. As a society, we have nothing to lose and everything to gain by seeking new solutions to old problems.

■ Frank Prewitt is an Anchorage attorney and former commissioner of the Department of Corrections under Walter J. Hickel. He consults for Cornell Corrections and the Kenai Natives Association.

**COMMITTEE: HOUSE STATE AFFAIRS**

**SUBJECT:**  
~~HB 3-DEPOSITS TO THE PERMANENT FUND~~  
 HB 149

**DATE: March 13, 2001**



# PLEASE SIGN IN

PLEASE PRINT: NAME & TITLE	ADDRESS (MAILING & ZIP)	PHONE	REPRESENTING (No Acronyms, Please)	DO YOU WANT TO TESTIFY ?
LEONARD J. J. L.	6014 Bull Way	280-3104	ANA'S CAMP #2	
Mike Wertz	3410 Woodhill Ave	586-4740	" "	Yes
Garage Knuth		465-4338	Dyer Corporation	Yes
Richard Spaura	215 Fiddler Ave. Kenai	283-4891	R. NA INC.	Yes
David Joseph	5579 Coast St	780/1815	self	Yes
MARVIN J. WIERE SENIOR VICE PRESIDENT	188 VIA LATA VENTURA, CA 92083	805-660-1985	CORNING COMPANIES INC	Yes - to answer questions
Georg Wright	320 W. Willowlby St-100 Juneau	586-2049	ALASKA NATIVE SCATTERED CAMP #2	Yes
Frederic O. Ben	736 Gold St Juneau	586 3363	self	Yes
<del>Kathleen Stewart</del>	<del>1665 1st St Juneau</del>	<del>586-1392</del>	<del>ANA</del>	<del>Yes</del>
Alfred McKelvey	1013 21713, Juneau 99801	586 2061	ANA B. B. B. / Camp	Yes

**HB**

**162**



## Sponsor Statement HB 162

“An Act relating to absences from the state under the longevity bonus program”

### **Purpose**

This bill changes two longevity bonus clause clauses. First, it increases the allowable paid absence from 30 to 60 consecutive days. Second, it extends the unpaid sabbatical from 90 consecutive days to five years.

### **Background**

Recipients of the longevity bonus are people who were at least 65 years of age who resided in the state for at least one year immediately preceding application for a longevity bonus no later than December 31, 1996.

By increasing the allowable paid absence from 30 to 60 days seniors would be able to leave the state for up to 60 days while continuing to receive their longevity bonus. We have heard from many seniors who want to drive out of state to visit their family or need to leave and take care of a family and cannot because of the current 30-day restriction.

Extending the unpaid sabbatical from 90 days to five years would respond to another senior concern. Often either because of the winters, medical treatment, or extended trips to take care of family, longevity bonus recipients leave the state for extended periods of time. Currently, they lose their eligibility for the program if they leave for more than a total of 180 days out of the year or 90 days at one time. Due to this restriction many seniors fly back every 90 days to keep their eligibility. Extending the unpaid leave to five years would allow seniors to leave the state for up to five years without being dropped from the program.

### **Summary**

The longevity bonus is extremely important to many of its recipients, especially those who are low income. By extending the allowable paid absence to 60 days and by extending the unpaid sabbatical to five years, seniors would be able to leave the state without a penalty.

# FISCAL NOTE

**STATE OF ALASKA**  
**2001 LEGISLATIVE SESSION**

Fiscal Note Number: \_\_\_\_\_  
 Bill Version: HB162  
 ( ) Publish Date: \_\_\_\_\_

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Administration  
 Title: "An act relating to absences under the BRU: Longevity Bonus  
longevity bonus program." Component: Longevity Bonus Grants  
 Sponsor: (H)HESS  
 Requester: (H)STA Component Number: 26

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	(146.7)	(136.8)	(127.5)	(118.9)	(110.8)	(103.3)
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>(146.7)</b>	<b>(136.8)</b>	<b>(127.5)</b>	<b>(118.9)</b>	<b>(110.8)</b>	<b>(103.3)</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	(146.7)	(136.8)	(127.5)	(118.9)	(110.8)	(103.3)
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
<b>TOTAL</b>	<b>(146.7)</b>	<b>(136.8)</b>	<b>(127.5)</b>	<b>(118.9)</b>	<b>(110.8)</b>	<b>(103.3)</b>

Estimate of any current year (FY2001) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal: \_\_\_\_\_

**POSITIONS**

Full-time						
Part-time						
Temporary						

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

See Page 2 for Bill Analysis.

Prepared by: James L. Kohn Phone 465-2159  
 Division: Division of Alaska Longevity Programs Date/Time 03/21/01  
 Approved by: Jim Duncan, Commissioner Date 3/21/01  
 Agency: Department of Administration

For distribution information, call the Governor's Legislative Office

**Bill Analysis: HB 162**

**Section 1:**

The average longevity bonus (ALB) check is \$221. There were 1,305 ALB recipient absences between 31 and 60 days in CY 2000. If the program issued a check for each of those absences the additional cost would be \$288.4. This is the cost associated with Section 1 of the bill.

**Section 2:**

If 10% of ALB recipients were absent for 30 days more than the current allowable absence they would forego one additional check and the program would save an estimated \$435.1.

The cost of ALB payments between calendar years 1997 - 2000 decreased an average of 6.767%. This percentage decrease has been applied to the FY 2002 estimated increment for each of the out years.

Section 1 cost =	\$288,405	(1,305 X 221).
Section 2 savings =	(\$435,149)	(19,690 X .10 X 221).
Net Year 2002	(\$146,744)	

**HB**

**167**



Alaska State Legislature

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## REPRESENTATIVE FRED DYSON

### MEMORANDUM

March 16, 2001

To: Representative Coghill Chair  
State Affairs

From: Fred Dyson *Fred Dyson*  
State Representative

RE: Request for consideration of HB 167

HB 167 is a bill that makes minor changes to license plates law. It should be non-controversial and take very little time.

I respectfully request that you schedule it for public hearing at your earliest convenience. Thank you.

- E-mail -  
Representative\_Fred\_Dyson  
@Legis.state.ak.us

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<http://www.akrepublicans.org>



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## REPRESENTATIVE FRED DYSON

### HB 167 Sponsor Statement

#### "An Act relating to License Plates

Updated: March 15, 2001

Contact: Representative Fred Design's office at (907) 465-2199

HB 167 makes three changes to the law relating to specialty plates:

First, it eliminates a requirement that special plates for Alaska National Guard personnel return the plates within 10 days following discharge from the Alaska National Guard. This provision has not been enforced and places an unnecessary burden on those who choose to willingly comply. I have a constituent who recently retired from the Alaska National Guard who would have to change license plates on three vehicles. Besides being a nuisance, it is difficult not to interpret this as a slap in exchange for service to our state.

Second, HB 167 makes a provision for antique vehicle owners to use license plates that match what the vehicle had, or would have had, when it was new. The owner provides the plates and the department has the right of refusal if the number is a duplicate, the provided plates are illegible, or are considered unacceptable by the department.

Thirdly, HB 167 allows the department to design and issue the Alaska Centennial Gold Rush plates as specialty plates.

HB 167 also sets the appropriate registration fee rates for these initiatives. There is no change on the \$30 fee for National Guard Plates, a \$30 fee is set for antique vehicle owner plates, and a \$50 fee is set to cover the cost of design and issue of specialty Gold Rush plates.

This bill costs the State of Alaska nothing and allows for vehicle owners to do creative and unique things with their license plates

- E-mail -  
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# FISCAL NOTE

STATE OF ALASKA  
2001 LEGISLATIVE SESSION

Fiscal Note Number: \_\_\_\_\_  
Bill Version: HB 167  
( ) Publish Date: \_\_\_\_\_

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Administration  
Title: An act relating to license plates for Alaska BRU: Motor Vehicles  
National Guard personnel and for antique motor vehicles..... Component: \_\_\_\_\_  
Sponsor: Representative Dyson  
Requester: H (STA) Component Number: 2348

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services						
Travel						
Contractual	29.5	0.0	0.0	0.0	0.0	0.0
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>29.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( 1005 )</b>	<b>11.6</b>	<b>11.3</b>	<b>11.3</b>	<b>11.3</b>	<b>11.3</b>	<b>11.3</b>
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	29.5	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
<b>TOTAL</b>	<b>29.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2001) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

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

Section 1 - This section has no fiscal impact.

Section 2 - This section contains provisions for both antique vehicles and for special request gold rush license plates. The antique vehicles provision is limited to an extremely small special interest group. Due to the low numbers this is not anticipated to have a fiscal impact. It will complicate the registration system which has nearly 100 different fee categories that impact the efficiency of the system. A similar provision for older, custom collector vehicles that was passed eight years ago has resulted in only 40 registrations in this category.

(continued on next page)

Prepared by: Charles R. Hosack Phone 269-5559  
Division: Motor Vehicles Date/Time 3/29/01  
Approved by: Jim Dunca, Commissioner Date 3/30/01  
Agency: Department of Administration

For distribution information, call the Governor's Legislative Office

HB 167 Fiscal Note Continuation Sheet  
March 29, 2001

Section 2 (con't)

The gold rush plate will only be issued through 2004. This section will offer another design selection to those persons who would normally select a special request plate. It is not expected to raise the number of special request license plates. Since the plate has part of the design in the center of the plate, the letter combinations must be divided on either side of the plate. This detracts from the desirability of the plate. DMV anticipates that only 10% of the 5,500 people who purchase special request plates will select this design.

DMV already has funding for purchase of special request plates. Since the total demand for special plates is not expected to increase, no additional funds will be needed for the purchase of plates. Nearly 70% of special request plates are ordered via the DMV web site. This program will need to be updated to allow the selection of the new plate design. It is estimated that this work will require 240 hours (6 weeks) of DP contractor work. This will be contracted through the standard state ITG contract at the rate of \$122.77 per hour. The total one-time cost is \$29.5.

Section 3 – This section contains the new, one-time fee for owners of antique vehicles. As discussed earlier, DMV does not anticipate significant numbers of registrations. It is estimated that there will be 20 registrations the first year and 10 registrations each year thereafter. This will generate \$ 0.6 in revenue the first year and \$ 0.3 in the following years.

Section 4 – This section contains the new, one-time fee of \$50 for special request gold rush plates. All other special request plates have a one-time fee of \$30. For consistency DMV recommends that this fee also be \$30; a higher fee for one plate may act as a deterrent to its selection.

If the fee remains at \$50 there will be an increase in revenue. People who would have chosen one of the other designs will now choose the gold rush design. DMV estimates that 550 new plates will be issued each year and the difference in fees is \$20. The total annual revenue increase will be \$ 11.0.