

# HB 137

A bill regarding the Division of Motor Vehicles

# HB 137

- Prohibits closure of DMVs of communities of 850 or more.
- Effective date and applicability keeps open all DMVs.

# DMV: Critical Public Services

-Per the US Census, 68% of Alaskans drove alone to work in 2017.

-Per the same data, **83-86%** of commuters use personal vehicles in the Mat-Su borough.

-In Fairbanks, this rises to **90%** of commuters.

-DMV services are critical to safe passage of commuter and commercial traffic.

-Trucking amounts to **70%** of the commercial freight delivery of goods in the United States.

## POPULATION

731.5k ▲ 4.7%

2019 2009-2019

## EMPLOYMENT

321.0k ▲ 1.8%

2018 2008-2018

## LICENSED DRIVERS

536.0k ▲ 6.5%

2018 2008-2018

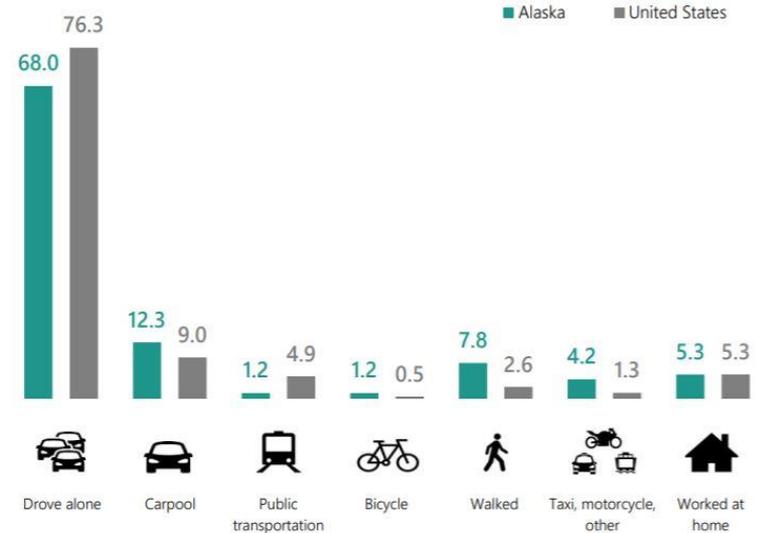
## REGISTERED VEHICLES

804.5k ▲ 18.3%

2017 2007-2017

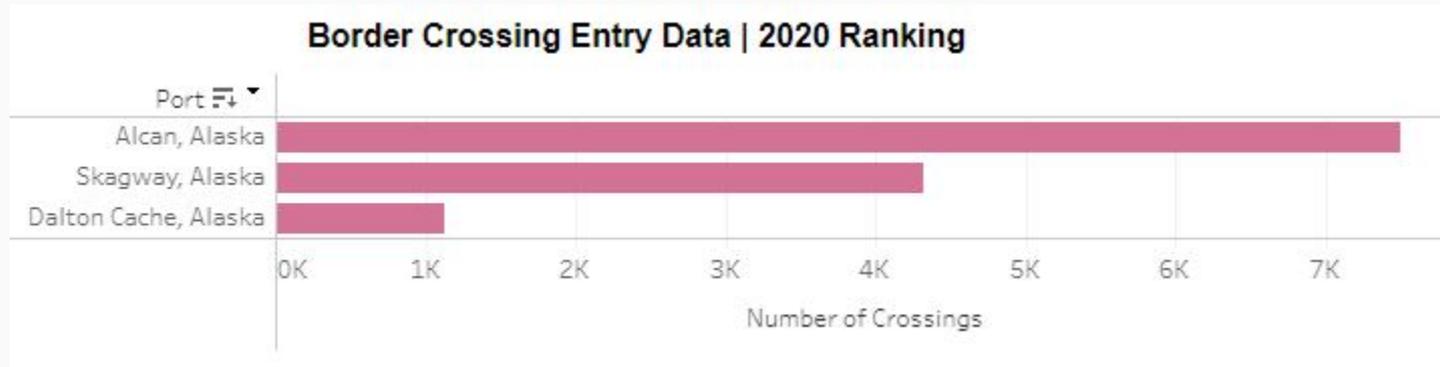
## HOW RESIDENTS GET TO WORK

Percentage of workers over age 16, 2018



Sources: US Dept of Transportation 2017  
American Community Survey 2019

# Commercial Traffic: arteries of local economies



-DMVs help ensure safe passage of approx \$9.5b worth of commercial goods via commercial trucks in 2017 in Alaska.

-Entry into Alaska is key for commercial freight on Al-Can Highway.

# What does the DMV do?

-The DMV conducts many services that are important to residents daily lives.

-Many services must be conducted in person. Many are statutory.

-Private operators are not required to, and cannot conduct, all the services the DMV offers, and requires for various residents.

-Private operators first responsibility is to shareholders or owners, not to public.

- Original issue of regular drivers license
- Original update at 21
- Renewal of DL for Seniors
- Original Issue of CDL
- Renewal of CDL
- REAL ID
- Test Taking
- Vehicle Transfers
- Commercial Registrations
- Permanent Registrations (P, Z tabs)
- VIN Inspections
- Surety Bond Processing
- Medical Re-instatement
- Re-instatement due to violation
- Name Change
- Marriage
- Divorce
- Handicap Parking Sticker

# Few alternatives:

-Average drive to other DMVs:

-Tok-DJ: 1 hr 41 min each way.  
(214 miles)

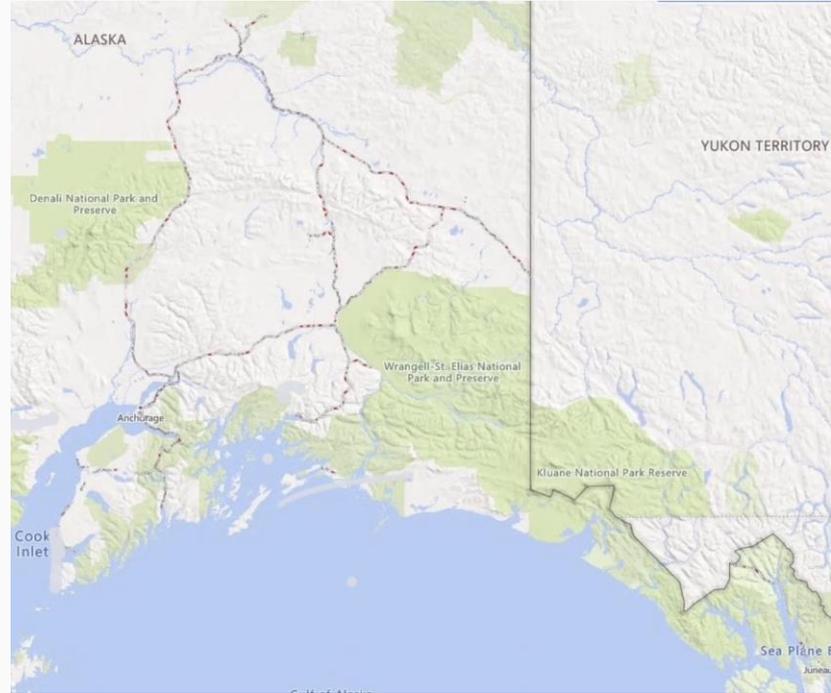
-DJ-Fbnks: 1 hr 40 min each way.  
(190 miles)

-Tok-Glennallen: 2 hr 40 min  
each way. (278 miles)

-Valdez-Glennallen: 2 hr 17 min  
each way. (240 miles)

-Haines-Juneau: 4 hr ferry ride  
each way. (185 miles)

-Homer-Soldotna: 1.5 hr each  
way. (149.6)



Roads in Alaska are unpredictable: weather, avalanche, flooding and fire are all risks.



Thompson Pass, 2014.

Photos courtesy AGU Blogosphere, Fairbanks Daily Newsminer



# Roads in Alaska are unpredictable: weather, avalanche, flooding and fire are all risks.



Above: Drifting in Delta Junction 2020.  
Right: Swan Lake Fire, 2019.



Photos Courtesy: Delta Wind, Christina Johnstone, via Alaska Newssource

# Internet options aren't available for everyone:

- Internet options aren't available for all services, including REAL ID, Drivers knowledge test, vision test, CDL services.
- Even in communities on the road system, average cost of internet can be prohibitively expensive.
- Service is not necessarily guaranteed.
- Internet options can also be difficult for Seniors: an estimated **105,000 Alaskans** over the age of 60 are still driving.
- AK DMV is required to provide certain services in person. Original license, 2nd license renewal, and Sr Citizen Driver License Renewal.
- Knowledge testing, Drivers License reinstatement are not able to be done online.

- Eastern Interior Alaska: 25.1% households do not have internet.
- Eastern Southcentral Alaska: 18% of households do not have internet.
- In the Southern Kenai Peninsula, 18% of households do not have internet.
- In Haines, 14% of households do not have internet.
- Up to 30% of Seniors do not have internet access.

Increased Costs: public pays more for same service.

## Cost of Common DMV Transactions

<u>Transaction Type</u>	<u>State-Run DMV</u>	<u>In-Person at UMV*</u>
Registration Renewal	\$110 + taxes	\$132 + taxes
Registration Duplicates	\$2	\$22
Parking Placard Renewal	\$0	\$12
Report Vehicle Sale	\$0	\$2
Drivers License/ID	\$20	\$45
REAL ID	\$40	\$80
Obtain Driving Record	\$10	\$22
Practice Knowledge Test	\$0	\$10

\*Example of a Private Partner; costs vary

Source: Dept of Administration

# The DMV pays for itself:

-The DMV is a division in the State that pays for itself.

-Each of the six proposed location closures was revenue positive for the state; last year and the previous 5 years.

-Closing or privatizing them only serves to pass increased costs and fewer services to residents.

-There is no corresponding increase in service; only cost.

Location	Revenue	Expenditures & Encumbrances	Difference
1910 - 503 DMV Field Services Anchorage Benson Blvd	6,781,741.83	3,329,730.54	3,452,011.29
1911 - 505 DMV Field Services Anchorage Downtown	N/A	399,819.40	N/A
1912 - 515 DMV Field Services Bethel	122,332.00	99,954.86	22,377.14
1913 - 525 DMV Field Services Delta Junction	217,723.00	109,342.33	108,380.67
1914 - 527 DMV Field Services Eagle River	1,569,198.00	422,357.39	1,146,840.61
1915 - 529 DMV Field Services Fairbanks	2,200,793.35	1,447,741.33	753,052.02
1916 - 537 DMV Field Services Haines	113,513.00	80,248.19	33,264.81
1917 - 539 DMV Field Services Homer	634,647.00	177,386.53	457,260.47
1918 - 543 DMV Field Services Juneau	966,282.00	549,831.03	416,450.97
1919 - 547 DMV Field Services Ketchikan	659,495.53	212,301.91	447,193.62
1920 - 549 DMV Field Services Kodiak	508,657.00	204,633.40	304,023.60
1921 - 553 DMV Field Services Kotzebue	53,529.00	35,138.46	18,390.54
1922 - 563 DMV Field Services Nome	N/A	31,154.39	N/A
1923 - 565 DMV Field Services Mat-Su	2,808,929.51	773,677.41	2,035,252.10
1924 - 577 DMV Field Services Sitka	271,979.00	167,695.36	104,283.64
1925 - 583 DMV Field Services Soldotna	1,532,592.00	482,949.49	1,049,642.51
1926 - 585 DMV Field Services Tok	238,316.73	75,962.62	162,354.11
1927 - 591 DMV Field Services Valdez	168,370.66	99,882.47	68,488.19

# Shifting cost burdens deepen divides:

- Rural Alaska faces higher costs in healthcare, gasoline, & fewer options for utilities such as Internet.

- Driving 100+ miles (each way) for service is an additional tax.

- Private DMV partners have no regulations or controls over pricing for mandatory services. The Department has method to control costs, fees, or additional charges.

- For communities where a private partner were to be the only option, residents must either pay up front or through additional costs such as driving 70-100 miles for key services.

- Internet is not always an option for everyone or every service.

# Seniors of Alaska

*“In our poll, Seniors of Alaska found overwhelming support amongst our members to support HB 137 and retain affordable, safe options for Seniors in their local communities. 96.5% overall favored keeping their local DMV, and some locales had 100% of members supported this critical public service for seniors.”*

*-Seniors of Alaska*

# Thank you

Questions?