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Alaska State Legislature
Alaska State Capitol Building
Juneau, Alaska 99811

RE: HB 409 – An Act relating to identification cards; relating to permanent motor vehicle registration; relating to vehicle registration fee rates; relating to changes of address; relating to driver's license fees; and relating to financial responsibility for motor vehicles.

Dear Alaska State Legislators,

First of all, I would like to apologize for not noticing this bill earlier. It slipped by me somehow and then suddenly was fast-tracked through the House. One of the members of House State Affairs had a staff member call me just before this bill went to the floor. I am disappointed that no one seemed to think it necessary to call when the bill was being considered for submittal or as it quickly went through the committee process.

The section that of course concerns AML is the large increase in the registration fee for municipally owned vehicles from \$10.00 to \$100.00. After working on legislation dealing with DMV a number of years ago, it came to light that DMV runs a substantial surplus each year. Due to that surplus, I would assume that this increase in municipal expenses will go directly into the General Fund. This increase does NOT appear to be an increase to cover costs. This, instead, appears to be an increase for additional revenues for the State, borne on the backs of municipalities, and therefore, Alaska's taxpayers.

Balancing the State budget is not accomplished by raising revenues to Alaska's citizens by arbitrarily raising prices on chosen services, unless that service has been shown to operate at a loss. While Revenue Sharing has been cut in half, to push this cost to municipalities seems to be a knee-jerk reaction to a quick grab of money.

The Municipality of Anchorage, alone, has approximately 2,500 vehicles. This includes police vehicles, maintenance vehicles, fire vehicles, etc. Their cost will immediately go from \$25,000 to \$250,000. Other larger municipalities such as the Mat-Su Borough, Fairbanks North Star Borough, City of Fairbanks, Cities of Palmer, Wasilla and many other communities will also experience a significant increase in DMV fees for local government service vehicles.

AML is opposed to the sections of HB 409 which unnecessarily increase costs of local government, especially in this period of economic and fiscal crisis.

I would hope that this bill goes no further.

Sincerely,

Kathie Wasserman
Executive Director