

SENATE JOURNAL SUPPLEMENT

May 9, 1986

FRIDAY

No. 79

FISCAL NOTE

SCS CSHB 535 (SA)

REQUEST

Bill/Resolution No. : SCS CSHB 535 (SA) P&P
 Title : An Act relating to the insurance requirements for obtaining and maintaining motor vehicle registration...
 Sponsor : Rieger
 Requestor : Senate Finance
 Date of Request : May 8, 1986

FISCAL DETAIL

Agency Affected : Public Safety
 BRU : Motor Vehicles
 Components : Field Services

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES			190.2	199.7	209.7	220.2
TRAVEL			2.5	2.6	2.7	2.8
CONTRACTUAL		15.0	95.6	49.6	52.0	54.6
SUPPLIES			3.0	3.2	3.4	3.6
EQUIPMENT			2.7			
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	15.0	294.0	255.1	267.8	281.2

CAPITAL						
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REVENUE						
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FUNDING : (Thousands of Dollars)

	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
GENERAL FUND	-0-	15.0	294.0	255.1	267.8	281.2
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	15.0	294.0	255.1	267.8	281.2

POSITIONS :

	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
FULL-TIME	0	0	6	6	6	6
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

FY87 funding is to promote and advertise the new registration requirement before the law becomes effective on July 1, 1987. Impact of new law will begin in FY One time charges for counter modifications, DP programming, CRT installations, and equipment included in FY88 only. 5% inflation factor used for FY89 and subsequent years.

Prepared by: Charles R. Hosack Phone: 269-5551
 Division: Motor Vehicles Date: 5-8-86

Approved by Commissioner: [Signature] Date: 5/8/86
 Agency: Public Safety

SCS CSHB 535 (SA)

There are approximately 450,000 motor vehicles for which proof of insurance will be required. Prior to registration, the reviewing and processing of the insurance papers will require additional time. Approximately 20-30% of these vehicles will initially be refused registration because the owner does not have proper proof of insurance. This will require a second trip to division offices when proper proof is ultimately obtained.

If the fiscal note is not approved then the additional workload will have to be absorbed by existing employees. If the six employees requested in this fiscal note are not funded it represents a 20% decrease in service levels at the registration and title areas in the Anchorage and Fairbanks field offices. The decrease in service would be most evident during the summer months when the offices have the largest workload. A decrease in service will result in waiting times of more than one hour on a regular basis. This is not acceptable to the public, and will generate justified complaints.