

HOUSE BILL NO. 210

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVE VEZEY

Introduced: 3/1/95

Referred: Transportation, State Affairs

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to issuance of motor vehicle registrations and titles, and to**
2 **licenses and permits to operate a motor vehicle."**

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 *** Section 1.** AS 28 is amended by adding a new chapter to read:

5 CHAPTER 12. THIRD-PARTY REGISTRATION, TITLING, AND TESTING.

6 Sec. 28.12.010. THIRD-PARTY REGISTRATION, TITLING, AND
7 TESTING. (a) The department shall establish a program that authorizes

8 (1) third-party agents to

9 (A) process applications for registration of motor vehicles and
10 issue registration certificates and plates as required under AS 28.10;

11 (B) process applications for certificates of titles and issue
12 certificates of title as required under AS 28.10.201 - 28.10.261; and

13 (C) administer driver's license examinations as required under
14 AS 28.15.081 and issue licenses or permits as provided under AS 28.15;

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(2) third-party registrars to

(A) process applications for registration of motor vehicles and issue registration certificates and plates as required under AS 28.10; and

(B) process applications for certificates of titles and issue certificates of title as required under AS 28.10.201 - 28.10.261;

(3) third-party examiners to administer driver's license examinations as required under AS 28.15.081 and issue licenses or permits as provided under AS 28.15.

(b) The department shall utilize third-party agents, registrars, and examiners to perform the functions described under (a) of this section. A third-party agent, registrar, or examiner must be an individual. An individual may not be or act as a third-party agent, registrar, or examiner unless the individual satisfies the requirements of this chapter and other applicable law and enters into a contract with the department as set out in AS 28.12.120 that specifies the duties of the third-party agent, registrar, or examiner.

Sec. 28.12.020. CERTIFICATION OF AGENTS, REGISTRARS, AND EXAMINERS. (a) An application for third-party agent, registrar, or examiner certification shall be filed with the department on a form prescribed by the department.

(b) If the department determines that an individual is qualified under this chapter as a third-party agent, registrar, or examiner, the department shall issue to the individual an identification number for electronic record keeping purposes and a certificate indicating the individual is qualified and authorized to perform the functions as provided under AS 28.12.010(a). A third-party agent, registrar, or examiner shall prominently display the certificate in the agent's place of business.

(c) A certificate is effective on the date of issuance and expires three years after issuance. A renewal application form must be filed with the department not less than 30 days before the time the certification expires.

(d) In reviewing an application submitted by a third-party agent or examiner, the department shall also review the individual's driving record. If the record is satisfactory and the individual is otherwise qualified under this chapter, the prospective agent or examiner shall be scheduled for third-party agent or examiner training.

1 Sec. 28.12.030. REQUIREMENTS FOR THIRD-PARTY AGENTS. The
2 department may not certify an individual as a third-party agent unless the individual
3 meets all of the conditions set out in this section. The individual shall

4 (1) meet all applicable requirements of law;

5 (2) allow the department to conduct random examinations, inspections,
6 and audits of operating facilities and records as provided under AS 28.12.140;

7 (3) allow the department to conduct annual on-site inspections,
8 evaluations, and audits of operations, facilities, and records;

9 (4) maintain at each approved third-party location, for at least one year,
10 copies of all records of every driver's license, title, registration, or other document
11 administered or issued by the third-party agent on forms provided by the department;

12 (5) transmit to the department by the 15th of each month the original
13 forms described under (4) of this subsection for the previous month's licensing, titling,
14 or registration;

15 (6) conduct skills tests as required under AS 28.15 and provide that
16 applicants who fail to successfully complete driving skills testing are not tested more
17 than once in a 24-hour period, unless the original test failure was due to vehicle or
18 document deficiencies;

19 (7) issue written certification, on a form provided by the department,
20 to each driver-applicant who passes the driving skills test administered by the third-
21 party agent;

22 (8) attend all advanced training courses, workshops, seminars, and other
23 instructional meetings, as required by the department; the department may not require
24 more than eight hours of training or other instruction in a calendar year;

25 (9) provide information and reports to the department, upon request,
26 concerning a criminal or driving skills testing administration complaint against the
27 third-party agent;

28 (10) transmit to the department all fees imposed under this title that are
29 collected as required under AS 28.12.100;

30 (11) ensure that at least 95 percent of the forms submitted to the
31 department are error free;

1 (12) comply with the provisions of AS 28.12.050(2), and (5) - (8).

2 Sec. 28.12.040. REQUIREMENTS FOR THIRD-PARTY REGISTRARS. The
3 department may not certify an individual as a third-party registrar unless the individual
4 complies with provisions of AS 28.12.030(1) - (5), (8), (10), and (11).

5 Sec. 28.12.050. REQUIREMENTS FOR THIRD-PARTY EXAMINERS. An
6 examiner applicant shall meet the conditions set out in this section in order to qualify
7 and maintain qualification as a third-party examiner. The individual shall

8 (1) comply with the provisions of AS 28.12.030(1) - (3), (6), (7), and
9 (9) - (11);

10 (2) hold a valid driver's license required for operation of the motor
11 vehicle used in the driving skills test conducted by the examiner;

12 (3) have successfully completed an examiner training workshop
13 conducted or approved by the department;

14 (4) attend all advanced training courses, workshops, seminars, and other
15 instructional meetings as required by the department; the department may not require
16 more than eight hours of training or other instruction in a calendar year;

17 (5) have a driving record that indicates the applicant is competent to
18 operate a motor vehicle safely;

19 (6) have not had a conviction or administrative adjudication for any of
20 the following violations under the law of this state or a local ordinance or a law or
21 local ordinance of another state substantially similar to the law of this state, during the
22 five-year period preceding application or during the time the individual is an examiner:

23 (A) operating a vehicle while intoxicated in violation of
24 AS 28.35.030;

25 (B) refusal to submit to a blood alcohol or breath test in
26 violation of AS 28.35.032;

27 (C) failure to stop and provide identification after a personal
28 injury or property damage accident in violation of AS 28.35.060;

29 (D) driving without insurance in violation of AS 28.22.011;

30 (E) a felony;

31 (F) felonious attempt to commit an offense described under this

1 paragraph;

2 (7) while performing duties as an examiner and during the five-year
3 period preceding application, have not had a driver's license suspended, revoked,
4 denied, cancelled or disqualified, or been subjected to a driver's license sanction
5 ordered by the department or a court;

6 (8) be at least 21 years of age and have at least three years of
7 experience in driving a motor vehicle;

8 (9) maintain at each approved third-party location, for at least one year,
9 copies of all records of every driver's license, permit, or other document administered
10 or issued by the third-party examiner on forms provided by the department;

11 (10) transmit to the department by the 15th of each month the original
12 forms described under (9) of this section for the previous month's licensing.

13 Sec. 28.12.060. PROFESSIONAL CONDUCT. (a) A third-party agent or
14 examiner may not provide a driver's license applicant answers to questions on a
15 knowledge or driving skills test or other driver examination.

16 (b) A third-party agent, registrar, or examiner shall provide services in a
17 professional manner.

18 (c) A third-party agent, registrar, or examiner may not consume intoxicating
19 beverages or controlled substances within eight hours before or during licensing or
20 testing activities and may not be under the influence of intoxicating beverages during
21 licensing or testing activities. In this subsection, "controlled substance" has the
22 meaning given in AS 28.33.190 but does not include a drug prescribed for that person
23 by a physician licensed in this state and used as required by the prescription.

24 Sec. 28.12.070. NOTIFICATION REQUIREMENTS. (a) A third-party agent,
25 registrar, or examiner shall

26 (1) notify the department in writing within 30 days before a change in
27 name or address;

28 (2) notify the department in writing within 10 days of any of the
29 following:

30 (A) a complaint regarding criminal or civil actions, or driving
31 skills test administration received by the agent or examiner;

1 (B) ceasing business operations in the state.

2 (b) A third-party agent or examiner shall notify the department as follows:

3 (1) before the end of the next business day after the agent or examiner
4 receives notice of any suspension, revocation, cancellation, or disqualification of the
5 agent's or examiner's driver's license ordered by a court or the department;

6 (2) within 10 days after being convicted or found responsible for
7 violation of a law or local ordinance of any state relating to motor vehicle traffic
8 control, other than a parking violation;

9 (3) before the end of the next business day after the agent or examiner
10 is charged with a crime.

11 Sec. 28.12.080. TEST ADMINISTRATION. A driving skills test shall be
12 conducted strictly in accordance with the provisions of this title and the test
13 specifications and procedures prescribed by the department. A driving skills test shall
14 be conducted in a vehicle that is representative of the class and type of vehicle for
15 which the applicant seeks to be licensed and for which the third-party examiner is
16 qualified to test. Before testing, the third-party agent or examiner shall inspect the
17 vehicle to verify that it is empty, meets applicable motor carrier safety regulations,
18 and is otherwise safe to operate.

19 Sec. 28.12.090. TERMINATION OF THIRD-PARTY AGENT, REGISTRAR,
20 OR EXAMINER CERTIFICATE. (a) The department may cancel or suspend the
21 certificate of a third-party agent, registrar, or examiner after determining that the agent,
22 registrar, or examiner has done one or more of the following:

23 (1) failed to comply with or satisfy any of the provisions of the contract
24 required under AS 28.12.120;

25 (2) falsified a record or information relating to the third-party agent,
26 registrar, or examiner program;

27 (3) committed any act or omission that compromises the integrity of
28 the third-party agent, registrar, or examiner program; before making a determination
29 under this paragraph, the department and the agent, registrar, or examiner shall submit
30 the issue to arbitration as provided under AS 09.43; the department may not cancel or
31 suspend a certificate or card under this paragraph unless the cancellation or suspension

1 is supported by the decision of the arbitrator; or

2 (4) acted as a third-party agent or examiner without a valid driver's
3 license, when the agent's or examiner's driver's license has been suspended or
4 revoked, when the agent's or examiner's certificate has been cancelled, or when the
5 agent's or examiner's application for a driver's license has been denied.

6 (b) If the department determines that grounds for cancellation of a third-party
7 agent's, registrar's, or examiner's certificate exist and that the grounds relate to a
8 failure to comply with or satisfy the requirements for a certificate or under the contract
9 required under AS 28.12.120, the department shall suspend the certificate until the
10 third-party agent, registrar, or examiner corrects the deficiency.

11 Sec. 28.12.100. COLLECTION OF FEES AND COMPENSATION TO
12 AGENTS. If the third-party agent, registrar, or examiner performs a function for
13 which a fee is imposed under this title, the third-party agent, registrar, or examiner
14 shall collect the statutory fee on behalf of the department and may collect and retain
15 any fee due the agent, registrar, or examiner as compensation for performing the
16 function. The fee due the third-party agent, registrar, or examiner shall be set by the
17 agent, registrar, or examiner but may not exceed \$7.50 for each function performed on
18 behalf of the department and may not exceed the fee imposed under this title if the
19 statutory fee is less than \$7.50, except that the fee charged by the third-party agent or
20 examiner for a driving skills test may exceed \$7.50 or the fee imposed under this title
21 for each driving skills test. The third-party agent, registrar, or examiner shall deduct
22 the amount due the agent, registrar, or examiner as provided under this section from
23 the amount collected on behalf of the department and remit any remaining sum to the
24 department on March 31, June 30, September 30, and December 31 of each year.

25 Sec. 28.12.110. DEPARTMENT REVIEW OF LICENSING APPLICATIONS.
26 The department may reject an application approved by a third-party agent, registrar,
27 or examiner if the application fails to comply with a provision of AS 28.10 or
28 AS 28.15. The department shall allow an individual whose application is rejected
29 under this section to reapply to the department.

30 Sec. 28.12.120. REQUIRED CONTRACT. (a) The contract required under
31 AS 28.12.010(b) for a third-party agent must read as follows:

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AGREEMENT
between the
DEPARTMENT OF PUBLIC SAFETY
and a
THIRD-PARTY AGENT

THIS AGREEMENT is made and entered into this _____ day of _____, 19____, by and between the Department of Public Safety (hereinafter the department) and _____ (hereinafter the third-party agent)
LOCATED AT (third-party agent address)

This agreement authorizes the named third-party agent to administer registration, titling, and testing as required under AS 28.12.010 on behalf of the department. The department and the third-party agent, for good and valuable consideration and under the terms and conditions set out in this agreement, mutually agree as follows:

I. TERM OF AGREEMENT: RENEWALS.

This agreement is effective on the date of execution and shall replace any comparable agreement previously executed between the parties. This agreement shall expire three years after execution, but may be renewed for additional periods, provided that any renewal is set out in writing and that the renewal is signed by a duly authorized representative of each party.

II. THE DEPARTMENT AGREES TO:

- (1) Permit the third-party agent to administer registration, titling, and testing described under AS 28.12.010(a), including driver’s license skills tests, under the terms of this agreement and all of the provisions set out in AS 28.12 and applicable provisions of other state and federal law.
- (2) Administer and enforce the provisions of AS 28.12.

1 (3) Conduct an on-site inspection of third-party agent facilities, and an annual
2 electronic audit of third-party agent books and records.

3 (4) Conduct an annual performance evaluation and audit of the driving skills
4 test administered by the third-party agent.

5 (5) Prepare a written report of the results of each inspection and audit and
6 provide a copy of the report to the third-party agent.

7 (6) Provide the following materials and equipment:
8 _____
9 _____
10 _____
11 _____

12 III. THE THIRD-PARTY AGENT AGREES:

13 (1) To comply with all applicable statutes and administrative regulations of the
14 State of Alaska, with all applicable federal laws, including regulations of the Federal
15 Highway Administration, and with all applicable municipal ordinances.

16 (2) To provide insurance as required by AS 28.12.160.

17 (3) That the state and its employees are not civilly liable for an act or omission
18 of the third-party agent in performing duties described under AS 28.12 or an act or
19 omission under this agreement.

20 (4) To cooperate with the Department of Public Safety in performing the duties
21 imposed under this contract and AS 28.12.

22 IV. COMMUNICATIONS.

23 The third-party agent designates the following individual at the following
24 address to be its representative to receive the written notices and communications that
25 are desired or required under this agreement:

26 _____
27 _____
28 _____
29 _____

30 Telephone: () _____

31 The department designates the following individual at the following address to

1 be its representative to receive the written notices and communications that are desired
2 or required under this agreement:

3 Director

4 Division of Motor Vehicles

5 _____
6 _____
7 Telephone () _____

8 Fax () _____

9 A mailed notice shall be considered given when mailed at a United States post
10 office or official United States mail depository.

11 V. TERMINATION AND CANCELLATION.

12 (1) A third-party agent may terminate this agreement for any reason by
13 providing 60-days' written notice of termination to the department.

14 (2) The department may cancel this agreement immediately upon determining
15 that the third-party agent has done one or more of the following:

16 (A) failed to comply with or satisfy a provision of this agreement;

17 (B) falsified a record or information relating to the third-party agent
18 program;

19 (C) violated an applicable provision of AS 28.12.

20 (3) Cancellation of this agreement shall be completed by furnishing the third-
21 party agent with written notice of cancellation, which shall be effective as of the date
22 of the notice of cancellation. The notice must include a short and plain statement of
23 the facts necessitating the cancellation.

24 VI. NONASSIGNABILITY.

25 This agreement and the third-party agent's certification are not assignable by
26 the third-party agent, either in whole or in part.

27 VII. WAIVERS AND SEVERABILITY.

28 A waiver by either party of a provision of this agreement may not act as a
29 waiver of another provision of this agreement. If a provision of this agreement is for
30 any reason declared invalid, illegal, or unenforceable, that declaration does not affect
31 the remainder of the provisions of this agreement.

1 VIII. APPLICABLE LAW.

2 A dispute between the parties in this agreement as to the application, meaning,
3 or interpretation of any part of this agreement shall be resolved in the State of Alaska
4 by application of Alaska law.

5 IN WITNESS WHEREOF, the parties hereto have executed this agreement on
6 the date written above.

7 (THIRD-PARTY AGENT)

8 SIGNATURE: _____

9 NAME: _____

10 TITLE: _____

11 (DEPARTMENT OF PUBLIC SAFETY)

12 SIGNATURE: _____

13 NAME: _____

14 TITLE: Director, Division of Motor Vehicles.

15 (b) The contract required under AS 28.12.010(b) for a third-party registrar
16 must read as follows:

17 **AGREEMENT**

18 **between the**

19 **DEPARTMENT OF PUBLIC SAFETY**

20 **and a**

21 **THIRD-PARTY REGISTRAR**

22 THIS AGREEMENT is made and entered into this _____ day of
23 _____, 19____, by and between the Department of Public Safety
24 (hereinafter the department) and _____

25 _____(hereinafter the third-party registrar)

26 LOCATED AT (third-party registrar address)

27 _____
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31 This agreement authorizes the named third-party registrar to administer

1 registration and titling as provided under AS 28.12.010(a)(2) on behalf of the
2 department. The department and the third-party registrar, for good and valuable
3 consideration and under the terms and conditions set out in this agreement, mutually
4 agree as follows:

5 I. TERM OF AGREEMENT: RENEWALS.

6 This agreement is effective on the date of execution and shall replace any
7 comparable agreement previously executed between the parties. This agreement shall
8 expire three years after execution, but may be renewed for additional periods, provided
9 that any renewal is set out in writing and that the renewal is signed by a duly
10 authorized representative of each party.

11 II. THE DEPARTMENT AGREES TO:

12 (1) Permit the third-party registrar to administer registration and titling
13 described under AS 28.12.010(a)(2), under the terms of this agreement and all of the
14 provisions set out in AS 28.12 and applicable provisions of other state and federal law.

15 (2) Administer and enforce the provisions of AS 28.12.

16 (3) Conduct an on-site inspection of third-party registrar facilities, and an
17 annual electronic audit of third-party registrar books and records.

18 (4) Prepare a written report of the results of each inspection and audit and
19 provide a copy of the report to the third-party registrar.

20 (5) Provide the following materials and equipment:

- 21 _____
22 _____
23 _____
24 _____

25 III. THE THIRD-PARTY REGISTRAR AGREES:

26 (1) To comply with all applicable statutes and administrative regulations of the
27 State of Alaska, with all applicable federal laws, including regulations of the Federal
28 Highway Administration, and with all applicable municipal ordinances.

29 (2) That the state and its employees are not civilly liable for an act or omission
30 of the third-party registrar in performing duties described under AS 28.12 or an act or
31 omission under this agreement.

1 (3) To cooperate with the Department of Public Safety in performing the duties
2 imposed under this contract and AS 28.12.

3 IV. COMMUNICATIONS.

4 The third-party registrar designates the following individual at the following
5 address to be its representative to receive the written notices and communications that
6 are desired or required under this agreement:

7 _____
8 _____
9 _____
10 _____
11 Telephone: () _____

12 The department designates the following individual at the following address to
13 be its representative to receive the written notices and communications that are desired
14 or required under this agreement:

15 Director
16 Division of Motor Vehicles
17 _____
18 _____
19 Telephone () _____
20 Fax () _____

21 A mailed notice shall be considered given when mailed at a United States post
22 office or official United States mail depository.

23 V. TERMINATION AND CANCELLATION.

24 (1) A third-party registrar may terminate this agreement for any reason by
25 providing 60-days' written notice of termination to the department.

26 (2) The department may cancel this agreement immediately upon determining
27 that the third-party registrar has done one or more of the following:

- 28 (A) failed to comply with or satisfy a provision of this agreement;
- 29 (B) falsified a record or information relating to the third-party registrar
30 program;
- 31 (C) violated an applicable provision of AS 28.12.

1 (3) Cancellation of this agreement shall be completed by furnishing the third-
2 party registrar with written notice of cancellation, which shall be effective as of the
3 date of the notice of cancellation. The notice must include a short and plain statement
4 of the facts necessitating the cancellation.

5 VI. NONASSIGNABILITY.

6 This agreement and the third-party registrar's certification are not assignable
7 by the third-party registrar, either in whole or in part.

8 VII. WAIVERS AND SEVERABILITY.

9 A waiver by either party of a provision of this agreement may not act as a
10 waiver of another provision of this agreement. If a provision of this agreement is for
11 any reason declared invalid, illegal, or unenforceable, that declaration does not affect
12 the remainder of the provisions of this agreement.

13 VIII. APPLICABLE LAW.

14 A dispute between the parties in this agreement as to the application, meaning,
15 or interpretation of any part of this agreement shall be resolved in the State of Alaska
16 by application of Alaska law.

17 IN WITNESS WHEREOF, the parties hereto have executed this agreement on
18 the date written above.

19 (THIRD-PARTY REGISTRAR)

20 SIGNATURE:

21 NAME: _____

22 TITLE: _____

23 (DEPARTMENT OF PUBLIC SAFETY)

24 SIGNATURE: _____

25 NAME: _____

26 TITLE: Director, Division of Motor Vehicles.

27 (c) The contract required under AS 28.12.010(b) for a third-party examiner
28 must read as follows:

29 **AGREEMENT**
30 **between the**
31 **DEPARTMENT OF PUBLIC SAFETY**

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and a

THIRD-PARTY EXAMINER

THIS AGREEMENT is made and entered into this _____ day of _____, 19____, by and between the Department of Public Safety (hereinafter the department) and _____ (hereinafter the third-party examiner)

LOCATED AT (third-party examiner address)

This agreement authorizes the named third-party examiner to administer driver’s license examinations and issue licenses or permits as required under AS 28.12.010(a)(3) on behalf of the department. The department and the third-party examiner, for good and valuable consideration and under the terms and conditions set out in this agreement, mutually agree as follows:

I. TERM OF AGREEMENT: RENEWALS.

This agreement is effective on the date of execution and shall replace any comparable agreement previously executed between the parties. This agreement shall expire three years after execution, but may be renewed for additional periods, provided that any renewal is set out in writing and that the renewal is signed by a duly authorized representative of each party.

II. THE DEPARTMENT AGREES TO:

- (1) Permit the third-party examiner to administer testing described under AS 28.12.010(a)(3), including driver’s license skills tests, under the terms of this agreement and all of the provisions set out in AS 28.12 and applicable provisions of other state and federal law.
- (2) Administer and enforce the provisions of AS 28.12.
- (3) Conduct an on-site inspection of third-party examiner facilities, and an annual electronic audit of third-party examiner books and records.
- (4) Conduct an annual performance evaluation and audit of the driving skills

1 test administered by the third-party examiner.

2 (5) Prepare a written report of the results of each inspection and audit and
3 provide a copy of the report to the third-party examiner.

4 (6) Provide the following materials and equipment:

5 _____
6 _____
7 _____
8 _____

9 III. THE THIRD-PARTY EXAMINER AGREES:

10 (1) To comply with all applicable statutes and administrative regulations of the
11 State of Alaska, with all applicable federal laws, including regulations of the Federal
12 Highway Administration, and with all applicable municipal ordinances.

13 (2) To provide insurance as required by AS 28.12.160.

14 (3) That the state and its employees are not civilly liable for an act or omission
15 of the third-party examiner in performing duties described under AS 28.12 or an act
16 or omission under this agreement.

17 (4) To cooperate with the Department of Public Safety in performing the duties
18 imposed under this contract and AS 28.12.

19 IV. COMMUNICATIONS.

20 The third-party examiner designates the following individual at the following
21 address to be its representative to receive the written notices and communications that
22 are desired or required under this agreement:

23 _____
24 _____
25 _____
26 _____

27 Telephone: () _____

28 The department designates the following individual at the following address to
29 be its representative to receive the written notices and communications that are desired
30 or required under this agreement:

31 Director

1 Division of Motor Vehicles

2 _____
3 _____
4 Telephone () _____

5 Fax () _____

6 A mailed notice shall be considered given when mailed at a United States post
7 office or official United States mail depository.

8 V. TERMINATION AND CANCELLATION.

9 (1) A third-party examiner may terminate this agreement for any reason by
10 providing 60-days' written notice of termination to the department.

11 (2) The department may cancel this agreement immediately upon determining
12 that the third-party examiner has done one or more of the following:

13 (A) failed to comply with or satisfy a provision of this agreement;

14 (B) falsified a record or information relating to the third-party examiner
15 program;

16 (C) violated an applicable provision of AS 28.12;

17 (D) does not have a valid driver's license, or the license has been
18 suspended or revoked, or an application for a driver's license has been denied.

19 (3) Cancellation of this agreement shall be completed by furnishing the third-
20 party examiner with written notice of cancellation, which shall be effective as of the
21 date of the notice of cancellation. The notice must include a short and plain statement
22 of the facts necessitating the cancellation.

23 VI. NONASSIGNABILITY.

24 This agreement and the third-party examiner's certification are not assignable
25 by the third-party examiner, either in whole or in part.

26 VII. WAIVERS AND SEVERABILITY.

27 A waiver by either party of a provision of this agreement may not act as a
28 waiver of another provision of this agreement. If a provision of this agreement is for
29 any reason declared invalid, illegal, or unenforceable, that declaration does not affect
30 the remainder of the provisions of this agreement.

31 VIII. APPLICABLE LAW.

1 A dispute between the parties in this agreement as to the application, meaning,
2 or interpretation of any part of this agreement shall be resolved in the State of Alaska
3 by application of Alaska law.

4 IN WITNESS WHEREOF, the parties hereto have executed this agreement on
5 the date written above.

6 (THIRD-PARTY EXAMINER)

7 SIGNATURE: _____

8 NAME: _____

9 TITLE: _____

10 (DEPARTMENT OF PUBLIC SAFETY)

11 SIGNATURE: _____

12 NAME: _____

13 TITLE: Director, Division of Motor Vehicles.

14 Sec. 28.12.130. CERTIFICATION PROGRAM FOR COMMERCIAL
15 DRIVER'S LICENSES. (a) The department shall establish a program that allows an
16 employer to certify that an applicant for a commercial driver's license meets the
17 experience qualifications required by the department under AS 28.33.100(a). The
18 department shall utilize employers described under this section to the maximum extent
19 possible.

20 (b) An employer may not certify applicants as described under (a) of this
21 section unless the employer allows the department to conduct random inspections and
22 electronic audits of the employer's activities.

23 (c) If an employer meets the requirements of (b) of this section, the department
24 shall issue a certificate to the employer authorizing the employer to certify an
25 applicant's driving experience as described under (a) of this section.

26 (d) The department may reject an employer's certification if the application
27 fails to comply with a provision of AS 28.15. An applicant whose employer
28 certification is rejected may reapply to the department. The department may revoke
29 an employer's authority under this section if the department determines the employer
30 is not in compliance with this section.

31 (e) An employer who certifies an applicant's experience as described under (a)

1 of this section, is not civilly liable for the certification.

2 Sec. 28.12.140. ON-SITE INSPECTIONS AND AUDITS. (a) An applicant
3 for a third-party agent, registrar, or examiner certificate shall permit the department to
4 conduct preapproval inspections and to electronically audit its operations, facilities, and
5 records relating to its third-party agent, registrar, or examiner program, for the purpose
6 of determining whether the applicant is qualified to participate in the program. A
7 third-party agent, registrar, or examiner who has been certified and has executed an
8 agreement described under AS 28.12.120 shall permit the department to inspect and
9 audit its third-party agent, registrar, or examiner program to determine whether it
10 continues in compliance with the requirements of this chapter. The department may
11 perform an inspection or audit with or without prior notice to the third-party agent,
12 registrar, or examiner.

13 (b) An inspection or audit must include, at a minimum, an examination of

14 (1) records relating to the third-party agent, registrar, or examiner
15 program;

16 (2) evidence of compliance with this title;

17 (3) the following if the individual is a third-party agent or examiner,

18 (A) skills testing procedures, practices, and operations;

19 (B) vehicles used for testing; and

20 (C) effectiveness of the driving skills test program by either
21 testing a sample of drivers who have been issued certificates evidencing that
22 they have passed the driving skills test administered by the third-party agent
23 or examiner or by having department employees or designees take the driving
24 skills test from a third-party agent or examiner.

25 (c) The department shall prepare a written report of an inspection or audit. A
26 copy of the report shall be provided to the third-party agent, registrar, or examiner.

27 Sec. 28.12.150. ADVERTISING. (a) A third-party agent or examiner may
28 not advertise in a manner that indicates in any way that the third-party agent or
29 examiner can guarantee the issuance of a driver's license or imply that the third-party
30 agent or examiner can in any way influence the department in the issuance of a
31 driver's license or imply that preferential or advantageous treatment from the

1 department can be obtained.

2 (b) A third-party agent, registrar, or examiner that is certified by the
3 department may advertise that the third-party agent, registrar, or examiner is
4 "certified," but may not indicate that the agent, registrar, or examiner is approved,
5 sanctioned, or in any other way endorsed by the department, and may not use any
6 other name besides the name on the application for certification. A third-party agent,
7 registrar, or examiner may not use "state" in any part of the third-party agent's,
8 registrar's, or examiner's business name, except when the name does not contain a
9 reference to the individual's status as a third-party agent, registrar, or examiner.

10 Sec. 28.12.160. INSURANCE REQUIREMENTS. (a) A third-party agent or
11 examiner shall maintain insurance coverage that meets the requirements of
12 AS 28.22.101 on motor vehicles owned by or registered to a third-party agent or
13 examiner.

14 (b) In addition to the requirements of (a) of this section, a third-party agent or
15 examiner shall maintain bodily injury and property damage liability insurance coverage
16 on motor vehicles owned or used by the third-party agent or examiner to administer
17 skills tests in this state. The amount of insurance coverage required under this
18 subsection may not be less than \$1,000,000 for bodily injury to or death of one or
19 more persons in any one accident and not less than \$250,000 for injury to or
20 destruction of property of others in any one accident.

21 (c) A third-party agent or examiner shall maintain insurance coverage that does
22 not exclude from coverage a person taking a driving skills test administered by the
23 third-party agent or examiner, any person suffering bodily injury or sustained property
24 damage as a result of a driving skills test administered by the third-party agent or
25 examiner.

26 (d) As evidence of required insurance coverage, a third-party agent or
27 examiner shall file with the department a certificate of insurance issued by an
28 insurance company licensed to do business in this state or a certificate of self-insurance
29 approved by the department. A certificate of insurance or self-insurance must include
30 the make, model, year, and vehicle identification number of each vehicle that is used
31 by the third-party agent or examiner to administer a driving skills test.

1 (e) A third-party agent or examiner may not use a motor vehicle to administer
2 a driving skills test unless the vehicle is insured as required by law.

3 (f) The department may cancel a contract with a third-party agent or examiner
4 upon determining that the third-party agent or examiner has failed to file a certificate
5 of insurance or self-insurance or has failed to maintain insurance coverage.

6 Sec. 28.12.170. CIVIL LIABILITY. (a) A third-party agent, registrar, or
7 examiner authorized under this section to perform a registration, titling, or licensing
8 function may not be held civilly liable for performing or failing to perform the
9 function.

10 (b) A person may not bring a civil action against the state or an employee of
11 the state to recover civil damages resulting from an act or omission of a third-party
12 agent, registrar, or examiner in performing duties described under this chapter.

13 Sec. 28.12.180. FURTHER ADMINISTRATIVE REGULATIONS
14 PROHIBITED. The department may not adopt regulations to implement this chapter.

15 * **Sec. 2.** AS 36.30.850(b) is amended by adding a new paragraph to read:

16 (33) a contract between the Department of Public Safety and a third-
17 party agent, registrar, or examiner under AS 28.12.

18 * **Sec. 3.** TRANSITION. The Department of Public Safety shall implement the provisions
19 of this Act not later than six months after the effective date of this Act.