

HOUSE BILL NO. 175

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVE VEZEY

Introduced: 3/6/97

Referred: Transportation, Judiciary

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 testing.** (a) The
7 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;

- 1 (2) third-party registrars to
 2 (A) process applications for registration of motor vehicles and
 3 issue registration certificates and plates as required under AS 28.10; and
 4 (B) process applications for certificates of titles and issue
 5 certificates of title as required under AS 28.10.201 - 28.10.261;
 6 (3) third-party examiners to administer driver's license examinations
 7 as required under AS 28.15.081 and issue licenses or permits as provided under
 8 AS 28.15.

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

16 **Sec. 28.12.020. Certification of agents, registrars, and examiners.** (a) An
 17 application for third-party agent, registrar, or examiner certification shall be filed with
 18 the department on a form prescribed by the department.

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

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

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

1 **Sec. 28.12.030. Requirements for third-party agents.** The department may
2 not certify an individual as a third-party agent unless the individual meets all of the
3 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 28.12.130;

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

9 (4) transmit to the department at least once each month the fees
10 imposed under this title that are collected as required under AS 28.12.100;

11 (5) conduct skills tests as required under AS 28.15 and provide that
12 applicants who fail to successfully complete driving skills testing are not tested more
13 than once in a seven-day period, unless the original test failure was due to vehicle or
14 document deficiencies;

15 (6) issue written certification, on a form provided by the department,
16 to each driver-applicant who passes the driving skills test administered by the third-
17 party agent;

18 (7) attend all training courses, workshops, seminars, and other
19 instructional meetings, as required by the department;

20 (8) provide information and reports to the department, upon request,
21 concerning a criminal or driving skills testing administration complaint against the
22 third-party agent;

23 (9) transmit to the department all fees imposed under this title that are
24 collected as required under AS 28.12.100;

25 (10) ensure that at least 95 percent of the forms submitted to the
26 department are error free;

27 (11) comply with the provisions of AS 28.12.050(2) and (5) - (8).

28 **Sec. 28.12.040. Requirements for third-party registrars.** The department
29 may not certify an individual as a third-party registrar unless the individual complies
30 with provisions of AS 28.12.030(1) - (4), (7), (9), and (10).

31 **Sec. 28.12.050. Requirements for third-party examiners.** An examiner

1 applicant shall meet the conditions set out in this section in order to qualify and
2 maintain qualification as a third-party examiner. The individual shall

3 (1) comply with the provisions of AS 28.12.030(1) - (3), (5), (6), and
4 (8) - (10);

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

7 (3) have successfully completed a certified examiner program approved
8 by the department;

9 (4) attend all training courses, workshops, seminars, and other
10 instructional meetings as required by the department;

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

13 (6) have not had a conviction or administrative license action for any
14 of the following violations under the law of this state or a local ordinance or a law or
15 local ordinance of another state substantially similar to the law of this state, during the
16 five-year period preceding application or during the time the individual is an examiner:

17 (A) operating a vehicle while intoxicated in violation of
18 AS 28.33.030 or AS 28.35.030;

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

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

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

24 (E) a felony;

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

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

31 (9) transmit to the department the original forms and reports.

1 **Sec. 28.12.060. Professional conduct.** (a) A third-party agent or examiner
2 may not provide a driver's license applicant answers to questions on a knowledge or
3 driving skills test or other driver examination.

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

6 (c) A third-party agent, registrar, or examiner may not consume intoxicating
7 beverages or controlled substances within eight hours before or during licensing or
8 testing activities and may not be under the influence of intoxicating beverages during
9 licensing or testing activities. In this subsection, "controlled substance" has the
10 meaning given in AS 28.33.190 but does not include a drug prescribed for that person
11 by a physician licensed in this state and used as required by the prescription unless the
12 prescribed drug affects the ability of the person to safely operate a motor vehicle.

13 **Sec. 28.12.070. Notification requirements.** (a) A third-party agent, registrar,
14 or examiner shall notify the department in writing

15 (1) within 30 days before a change in name or address;

16 (2) within 10 days of any of the following:

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

19 (B) ceasing business operations in the state.

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

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

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

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

29 **Sec. 28.12.080. Test administration.** A driving skills test shall be conducted
30 strictly in accordance with the provisions of this title and the test specifications and
31 procedures prescribed by the department. A driving skills test shall be conducted in

1 a vehicle that is representative of the class and type of vehicle for which the applicant
 2 seeks to be licensed and for which the third-party agent or examiner is qualified to
 3 test. Before testing, the third-party agent or examiner shall inspect the vehicle to
 4 verify that it is empty, meets applicable motor carrier safety regulations, and is
 5 otherwise safe to operate.

6 **Sec. 28.12.090. Termination of third-party agent, registrar, or examiner**
 7 **certificate.** (a) The department may cancel or suspend the certificate of a third-party
 8 agent, registrar, or examiner after determining that the agent, registrar, or examiner has
 9 done one or more of the following:

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

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

14 (3) committed any act or omission that compromises the integrity of
 15 the third-party agent, registrar, or examiner program; before making a determination
 16 under this paragraph, the department and the agent, registrar, or examiner shall submit
 17 the issue to arbitration as provided under AS 09.43; the department may not cancel or
 18 suspend a certificate or card under this paragraph unless the cancellation or suspension
 19 is supported by the decision of the arbitrator; or

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

24 (b) If the department determines that grounds for termination of a third-party
 25 agent's, registrar's, or examiner's certificate exist and that the grounds relate to a
 26 failure to comply with or satisfy the requirements for a certificate or under the contract
 27 required under AS 28.12.120, the department shall suspend the certificate until the
 28 third-party agent, registrar, or examiner corrects the deficiency.

29 **Sec. 28.12.100. Collection of fees and compensation to agents.** If the third-
 30 party agent, registrar, or examiner performs a function for which a fee is imposed
 31 under this title, the third-party agent, registrar, or examiner shall collect the statutory

1 fee on behalf of the department and may collect and retain any amount due the agent,
2 registrar, or examiner as compensation for performing the function. The fee due the
3 third-party agent, registrar, or examiner shall be set by the agent, registrar, or
4 examiner.

5 **Sec. 28.12.110. Department review of licensing applications.** The
6 department may reject an application approved by a third-party agent, registrar, or
7 examiner if the application fails to comply with a provision of AS 28.10 or AS 28.15.
8 The department shall allow an individual whose application is rejected under this
9 section to reapply to the department.

10 **Sec. 28.12.120. Required contract.** (a) The contract required under
11 AS 28.12.010(b) for a third-party agent must read as follows:

12 **AGREEMENT**
13 **between the**
14 **DEPARTMENT OF PUBLIC SAFETY**
15 **and a**
16 **THIRD-PARTY AGENT**

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

21 LOCATED AT (third-party agent address)

22 _____
23 _____
24 _____
25 _____

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

31 I. TERM OF AGREEMENT: RENEWALS.

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

6 **II. THE DEPARTMENT AGREES TO:**

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

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

12 (3) Conduct an on-site inspection of third-party agent facilities, and a periodic
13 electronic audit of third-party agent books and records.

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

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

18 (6) Provide the following materials and equipment:

- 19 _____
- 20 _____
- 21 _____
- 22 _____

23 **III. THE THIRD-PARTY AGENT AGREES:**

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

27 (2) To provide insurance as required by AS 28.12.150.

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

31 (4) To cooperate with the Department of Public Safety in performing the duties

1 imposed under this contract and AS 28.12.

2 (5) To keep all driver’s licensing records confidential.

3 IV. COMMUNICATIONS.

4 The third-party agent 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 OF CONTRACT.

24 A third-party agent or the department may terminate this agreement for any
25 reason by providing 60-days’ written notice of termination to the other party.

26 VI. NONASSIGNABILITY.

27 This agreement and the third-party agent’s certification are not assignable by
28 the third-party agent, either in whole or in part.

29 VII. WAIVERS AND SEVERABILITY.

30 A waiver by either party of a provision of this agreement may not act as a
31 waiver of another provision of this agreement. If a provision of this agreement is for

1 any reason declared invalid, illegal, or unenforceable, that declaration does not affect
2 the remainder of the provisions of this agreement.

3 VIII. APPLICABLE LAW.

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

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

9 (THIRD-PARTY AGENT)

10 SIGNATURE: _____

11 NAME: _____

12 TITLE: _____

13 (DEPARTMENT OF PUBLIC SAFETY)

14 SIGNATURE: _____

15 NAME: _____

16 TITLE: Director, Division of Motor Vehicles.

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

19 **AGREEMENT**

20 **between the**

21 **DEPARTMENT OF PUBLIC SAFETY**

22 **and a**

23 **THIRD-PARTY REGISTRAR**

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

27 _____(hereinafter the third-party registrar)

28 LOCATED AT (third-party registrar address)

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This agreement authorizes the named third-party registrar to administer registration and titling as provided under AS 28.12.010(a)(2) on behalf of the department. The department and the third-party registrar, 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 registrar to administer registration and titling described under AS 28.12.010(a)(2), 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 registrar facilities, and a periodic electronic audit of third-party registrar books and records.

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

(5) Provide the following materials and equipment:

- _____
- _____
- _____
- _____

III. THE THIRD-PARTY REGISTRAR AGREES:

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

(2) That the state and its employees are not civilly liable for an act or omission

1 of the third-party registrar in performing duties described under AS 28.12 or an act or
2 omission under this agreement.

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

5 (4) To keep all driver's licensing records confidential.

6 IV. COMMUNICATIONS.

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

10 _____
11 _____
12 _____
13 _____

14 Telephone () _____

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

18 Director

19 Division of Motor Vehicles

20 _____
21 _____

22 Telephone () _____

23 Fax () _____

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

26 V. TERMINATION OF CONTRACT.

27 A third-party registrar or the department may terminate this agreement for any
28 reason by providing 60-days' written notice of termination to the other party.

29 VI. NONASSIGNABILITY.

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

1 VII. WAIVERS AND SEVERABILITY.

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

6 VIII. APPLICABLE LAW.

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

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

12 (THIRD-PARTY REGISTRAR)

13 SIGNATURE:

14 NAME: _____

15 TITLE: _____

16 (DEPARTMENT OF PUBLIC SAFETY)

17 SIGNATURE: _____

18 NAME: _____

19 TITLE: Director, Division of Motor Vehicles.

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

22 **AGREEMENT**

23 **between the**

24 **DEPARTMENT OF PUBLIC SAFETY**

25 **and a**

26 **THIRD-PARTY EXAMINER**

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

30 _____ (hereinafter the third-party examiner)

31 LOCATED AT (third-party examiner address)

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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 a periodic electronic audit of third-party examiner books and records.

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

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

(6) Provide the following materials and equipment:

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III. THE THIRD-PARTY EXAMINER AGREES:

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

(2) To provide insurance as required by AS 28.12.150.

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

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

(5) To keep all driver's licensing records confidential.

IV. COMMUNICATIONS.

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

Telephone () _____

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

Director
Division of Motor Vehicles

Telephone () _____
Fax () _____

A mailed notice shall be considered given when mailed at a United States post

1 office or official United States mail depository.

2 V. TERMINATION OF CONTRACT.

3 A third-party examiner or the department may terminate this agreement for any
4 reason by providing 60-days' written notice of termination to the other party.

5 VI. NONASSIGNABILITY.

6 This agreement and the third-party examiner's certification are not assignable
7 by the third-party examiner, 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 EXAMINER)

20 SIGNATURE: _____

21 NAME: _____

22 TITLE: _____

23 (DEPARTMENT OF PUBLIC SAFETY)

24 SIGNATURE: _____

25 NAME: _____

26 TITLE: Director, Division of Motor Vehicles.

27 **Sec. 28.12.130. On-site inspections and audits.** (a) An applicant for a third-
28 party agent, registrar, or examiner certificate shall permit the department to conduct
29 preapproval inspections and to electronically audit its operations, facilities, and records
30 relating to its third-party agent, registrar, or examiner program for the purpose of
31 determining whether the applicant is qualified to participate in the program. A third-

1 party agent, registrar, or examiner who has been certified and has executed an
 2 agreement described under AS 28.12.120 shall permit the department to inspect and
 3 audit its third-party agent, registrar, or examiner program to determine whether it
 4 continues in compliance with the requirements of this chapter. The department may
 5 perform an inspection or audit with or without prior notice to the third-party agent,
 6 registrar, or examiner.

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

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

10 (2) evidence of compliance with this title;

11 (3) the following if the individual is a third-party agent or examiner:

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

13 (B) vehicles used for testing; and

14 (C) effectiveness of the driving skills test program by either
 15 testing a sample of drivers who have been issued certificates evidencing that
 16 they have passed the driving skills test administered by the third-party agent
 17 or examiner or by having department employees or designees take the driving
 18 skills test from a third-party agent or examiner.

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

21 **Sec. 28.12.140. Advertising.** (a) A third-party agent or examiner may not
 22 advertise in a manner that indicates in any way that the third-party agent or examiner
 23 can guarantee the issuance of a driver's license or imply that the third-party agent or
 24 examiner can in any way influence the department in the issuance of a driver's license
 25 or imply that preferential or advantageous treatment from the department can be
 26 obtained.

27 (b) A third-party agent, registrar, or examiner that is certified by the
 28 department may advertise that the third-party agent, registrar, or examiner is
 29 "certified," but may not indicate that the agent, registrar, or examiner is approved,
 30 sanctioned, or in any other way endorsed by the department and may not use any other
 31 name besides the name on the application for certification. A third-party agent,

1 registrar, or examiner may not use "state" in any part of the third-party agent's,
2 registrar's, or examiner's business name, except when the name does not contain a
3 reference to the individual's status as a third-party agent, registrar, or examiner.

4 **Sec. 28.12.150. Insurance requirements.** (a) A third-party agent or examiner
5 shall maintain insurance coverage that meets the requirements of AS 28.22.101 on
6 motor vehicles owned by or registered to a third-party agent or examiner.

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

14 (c) A third-party agent or examiner shall maintain insurance coverage that does
15 not exclude from coverage a person taking a driving skills test administered by the
16 third-party agent or examiner or any person suffering bodily injury or sustained
17 property damage as a result of a driving skills test administered by the third-party
18 agent or examiner.

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

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

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

30 **Sec. 28.12.160. Civil liability.** (a) A third-party agent, registrar, or examiner
31 authorized under this section to perform a registration, titling, or licensing function

1 may not be held civilly liable for performing or failing to perform the function.

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

5 * **Sec. 2.** TRANSITION. The Department of Public Safety shall implement the provisions
6 of this Act by July 1 of the year following the effective date of this Act.