

ALASKA STATE LEGISLATURE
SENATE TRANSPORTATION STANDING COMMITTEE

February 19, 2013

1:34 p.m.

MEMBERS PRESENT

Senator Dennis Egan, Chair
Senator Fred Dyson, Vice Chair
Senator Anna Fairclough
Senator Click Bishop
Senator Hollis French

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

SENATE BILL NO. 24

"An Act relating to the Alaska Marine Transportation Advisory Board."

- MOVED SB 24 OUT OF COMMITTEE

HOUSE BILL NO. 15

"An Act relating to commercial motor vehicle requirements."

- HEARD & HELD

PREVIOUS COMMITTEE ACTION

BILL: SB 24

SHORT TITLE: MARINE TRANSPORTATION ADVISORY BOARD

SPONSOR(s): SENATOR(s) STEVENS

01/18/13	(S)	READ THE FIRST TIME - REFERRALS
01/18/13	(S)	TRA, FIN
02/19/13	(S)	TRA AT 1:30 PM BUTROVICH 205

BILL: HB 15

SHORT TITLE: COMMERCIAL MOTOR VEHICLE REQUIREMENTS

SPONSOR(s): REPRESENTATIVE(s) KELLER, ISAACSON

01/16/13	(H)	PREFILE RELEASED 1/7/13
01/16/13	(H)	READ THE FIRST TIME - REFERRALS
01/16/13	(H)	TRA

02/07/13 (H) TRA AT 1:00 PM BARNES 124
02/07/13 (H) Moved Out of Committee
02/07/13 (H) MINUTE(TRA)
02/08/13 (H) TRA RPT 5DP
02/08/13 (H) DP: LYNN, JOHNSON, KREISS-TOMKINS,
GATTIS, FEIGE
02/11/13 (H) TRANSMITTED TO (S)
02/11/13 (H) VERSION: HB 15
02/13/13 (S) READ THE FIRST TIME - REFERRALS
02/13/13 (S) TRA
02/19/13 (S) TRA AT 1:30 PM BUTROVICH 205

WITNESS REGISTER

DOUG LETCH, staff
Senator Gary Stevens
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Presented SB 24 on behalf of the sponsor.

TREVOR BROWN, Executive Director
Kodiak Chamber of Commerce
Kodiak, Alaska

POSITION STATEMENT: Testified in support of SB 24.

GEORGE SMALLWOOD, representing himself
Fox River, Alaska

POSITION STATEMENT: Testified in support of SB 24.

REPRESENTATIVE WES KELLER
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Sponsor of HB 15.

JIM POUND, staff
Representative Wes Keller
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Presented information about HB 15 on behalf of the sponsor.

AVES THOMPSON, Director
Alaska Trucking Association
Anchorage, Alaska

POSITION STATEMENT: Testified in support of HB 15.

DANIEL SMITH, Director

Division of Measurement and Standards
Commercial Vehicle Enforcement
Department of Transportation and Public Facilities (DOTPF)
Anchorage, Alaska

POSITION STATEMENT: Testified in favor of HB 15.

ANMEI GOLDSMITH, Assistant Attorney General
Transportation Section
Department of Law
Anchorage, Alaska

POSITION STATEMENT: Answered questions related to HB 15.

ACTION NARRATIVE

[1:34:06 PM](#)

CHAIR DENNIS EGAN called the Senate Transportation Standing Committee meeting to order at 1:34 p.m. Present at the call to order were Senators Dyson, Fairclough, Bishop, French, and Chair Egan.

SB 24-MARINE TRANSPORTATION ADVISORY BOARD

CHAIR EGAN announced consideration of SB 24.

[1:35:12 PM](#)

DOUG LETCH, staff, Senator Gary Stevens, sponsor of SB 24, explained that Senate Bill 24 alters the makeup of the Alaska Marine Transportation Advisory Board (MTAB) by adding a twelfth seat designated for a representative from Southcentral Alaska. The bill also adds Gustavus to the list of communities from which a person can be appointed to represent northern Southeast Alaska.

MR. LETCH said the bill would give a voice to the Southcentral communities which were previously included in a district that includes Unalaska. The Kodiak Chamber of Commerce requested that Southcentral communities be represented by their own member on MTAB.

He noted that SB 24 comes with a reasonable fiscal note in the amount of \$3,000 per year. He listed letters of support from the Kodiak, Homer, and Soldovia Chambers of Commerce. He concluded that the bill would go a long way towards serving Southcentral Alaska.

[1:38:03 PM](#)

SENATOR DYSON asked if anyone from the Department of Transportation and Public Facilities (DOTPF) was present. He noted that DOTPF does not have any objections to SB 24.

He wondered if having an even number of members on MTAB would present a problem for voting.

MR. LETCH thought MTAB meetings were fairly amicable. He said the bill attempts to minimize cost by adding only one seat. He did not see a problem with an even number of votes.

SENATOR FAIRCLOUGH asked if MTAB has a set of bylaws.

MR. LETCH offered to provide that information.

SENATOR FAIRCLOUGH said she has the same questions about the number of members and how that would reflect on a quorum.

MR. LETCH offered to look into it.

SENATOR FAIRCLOUGH said she was in support of SB 24 as long as it does not oppose MTAB's bylaws.

MR. LETCH agreed, and offered to provide the requested information.

CHAIR EGAN opened public testimony.

[1:42:40 PM](#)

TREVOR BROWN, Executive Director, Kodiak Chamber of Commerce, testified in support of SB 24. He referred to a letter of support dated January 24. He noted that currently thirteen communities in Southwest Alaska are represented by one person on MTAB. He said that Kodiak and the rest of Southcentral Alaska is served by the Alaska Marine Highway System (AMHS) year round, and prefers to have its own representative on MTAB. He added that Southcentral has different needs than the Aleutian Chain area.

[1:44:30 PM](#)

GEORGE SMALLWOOD, testifying on his own behalf, said he commutes between Homer and Soldovia on the ferry system. He spoke in support of SB 24 in order to have a representative on MTAB that would benefit the people of his area.

[1:45:28 PM](#)

CHAIR EGAN asked if the bill needs to be amended to include Gustavus.

MR. LETCH said that provision is in the bill.

CHAIR EGAN suggested holding the bill until Mr. Letch can provide answers to members' questions.

SENATOR FAIRCLOUGH preferred to move the bill. She said she assumed that the bylaws would take care of everything.

SENATOR DYSON moved to report SB 24, labeled 28-LS0058\A, from committee with individual recommendations and the attached fiscal note. There being no objection, SB 24 moved from the Senate Transportation Standing Committee.

#

[1:47:00 PM](#)

At ease from 1:47 to 1:48 p.m.

HB 15-COMMERCIAL MOTOR VEHICLE REQUIREMENTS

[1:48:35 PM](#)

CHAIR EGAN said the next bill before the committee was HB 15.

REPRESENTATIVE WES KELLER, sponsor of HB 15, explained that the bill reduces a regulation on Alaska businesses by redefining a commercial motor vehicle from 10,000 pounds to 14,000 pounds. He related that the bill has support from DOTPF, the National Federation of Independent Businesses (NFIB), the Alaska Trucking Association, and Norcon Equipment.

[1:50:39 PM](#)

JIM POUND, staff, Representative Wes Keller, sponsor of HB 15, noted that a similar bill was heard last year. The situation described in the bill is seen in pilot vehicles where the same weight requirements apply as for a commercial vehicle. The bill would also apply to 18-year-olds who cannot qualify for a commercial driver's license and who would like to get into the pilot driving business. It also applies to small vans, such as lawn and garden trucks.

He gave an example of a one-ton pickup with a welder in the back that would no longer be classified as a commercial vehicle under HB 15.

[1:52:34 PM](#)

SENATOR FRENCH asked if there is any opposition to the bill

MR. POUND said support in the House was unanimous.

SENATOR FRENCH asked if anyone testified against the bill.

MR. POUND said no.

REPRESENTATIVE KELLER noted that the bill has not had a negative vote yet.

SENATOR BISHOP noted support for HB 15 by the Association of General Contractors.

REPRESENTATIVE KELLER thanked Senator Bishop for pointing that out.

[1:53:38 PM](#)

CHAIR EGAN opened public testimony.

AVES THOMPSON, Executive Director, Alaska Trucking Association, testified in support of HB 15. He explained, as vehicles have gotten larger and heavier, many fall under the current definition of intrastate commercial vehicle that have historically not been considered a commercial vehicle, such as pickup trucks, small step vans, and small trailers. One of the Alaska Trucking Association's legislative priorities is to change the current statutory description of intrastate commercial vehicle in order to reduce the regulatory burden on small businesses. He said when passed, HB 15 will accomplish that goal.

He pointed out that for purposes of commercial vehicle regulation and inspection, HB 15 raises the weight threshold, and lessens the fiscal impact on businesses. It does not change the commercial status of intrastate vehicles for purposes of registration with the Division of Motor Vehicles (DMV) and therefore, there is no fiscal impact on the state. He urged passage of the bill.

[1:57:25 PM](#)

DANIEL SMITH, Director, Division of Measurement and Standards for Commercial Vehicle Enforcement, testified in support of HB 15. He said the change made in the bill removes the regulatory burden on businesses that have been categorized as carriers operating commercial motor vehicles due to the fact that vehicles have gotten larger. Now, incidental use of these

vehicles, or combination vehicles over 10,000 pounds, meets the definition of a commercial vehicle.

SENATOR DYSON moved to adopt Amendment 1.

28-LS0058\A.2
Nauman

AMENDMENT 1

OFFERED IN THE SENATE

Page 2, line 5:

Delete "designed"

Insert "**being used**[DESIGNED]"

SENATOR DYSON objected. He related a story about a constituent in his district who needs a small handicap-equipped bus with a ramp. He said without the change proposed in Amendment 1, his constituent's insurance rate would be significantly affected because DMV's opinion is "once a bus, always a bus." He noted that the sponsor is in agreement with the amendment.

REPRESENTATIVE KELLER said he concurs with Amendment 1.

[2:01:53 PM](#)

SENATOR FAIRCLOUGH requested an opinion from the Department of Law on the designated terminology. She said she understands that the language "a commercial motor vehicle is defined" is followed by a list of appropriate vehicles. She opined that "being used" would fall under the commercial requirements. On line 20, it lists those vehicles which are not commercial motor vehicles.

ANMEI GOLDSMITH, Assistant Attorney General, Transportation Section, Department of Law, opined that if the vehicle is being used exclusively for purposes other than commercial purposes, then it would not be a commercial motor vehicle. If the current bill is written to eliminate the word "recreational" on page 2, line 20, then a bus pulling a trailer equipped for wheelchair for personal use it is not going to be regulated by DOTPF as a commercial motor vehicle.

SENATOR FAIRCLOUGH explained that proposed Amendment 1 is on page 2, line 5, and deletes the word "designed" and adds "being used". That proposed change is in a place that describes what a commercial vehicle is. She wondered if, instead, it should be on

line 20, where recreational vehicle is being eliminated, and the word "being" should be inserted in between the words "vehicles" and "used".

MS. GOLDSMITH thought the bill, as written, already covers the example Senator Dyson proposed and would exclude the modified bus. She noted that the issue of registration at DMV is a different story. She said she thought DMV had its own set of regulations.

[2:05:50 PM](#)

SENATOR FAIRCLOUGH requested a description of what the effect would be of changing line 5, AS 19.10.300 (f)(1)(c)(ii), which states "is designed to transport more than 15 passengers including the driver." Amendment 1 proposes to change "designed" to "being used".

MS. GOLDSMITH explained that if the term "designed" is changed to "being used", and the vehicle is being used for non-commercial purposes, it is not a commercial vehicle.

[2:07:43 PM](#)

At ease

[2:08:04 PM](#)

MR. POUND commented that when he discussed the amendment with legislative legal, they determined that if the vehicle is not being used for commercial purposes, the vehicle is no longer a commercial vehicle, as far as DOTPF is concerned; however, DMV still considers the vehicle a commercial vehicle. The bill addresses DOT statutes, not DMV regulations.

SENATOR FAIRCLOUGH said she thought DMV should be present to address this issue.

MR. POUND said if a vehicle is not being used to transport, it eliminates its description as a commercial vehicle. Recreational vehicles are different according to both DOTPF and DMV. He assumed DMV would follow suit if DOTPF approves the changes.

SENATOR FAIRCLOUGH said she does not want to hold up the bill.

SENATOR DYSON said he would clear this up with DMV. He suggested that the amendment does no harm.

SENATOR FRENCH suggested the committee adopt the amendment and hold the bill in committee.

[2:13:04 PM](#)

SENATOR FAIRCLOUGH suggested an at-ease in order to call DMV.

SENATOR DYSON agreed.

MR. POUND said he would call DMV.

[2:13:49 PM](#)

At ease

[2:29:48 PM](#)

CHAIR EGAN noted a problem with finding information from DMV. He said he would schedule HB 15 again next week.

CHAIR EGAN held HB 15 in committee with Amendment 1 pending.

[2:30:44 PM](#)

There being no further business to come before the committee, Chair Egan adjourned the Senate Transportation Standing Committee at 2:30 p.m.