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Referred: Labor and Commerce  
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go0289sE

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1 IN THE SENATE BY THE STATE AFFAIRS COMMITTEE  
2 CS FOR SENATE BILL NO. 92 (State Affairs)  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 SIXTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to motor vehicles, identification  
7 cards issued by the Department of Public Safety, and  
8 duties of the Department of Public Safety and Depart-  
9 ment of Commerce and Economic Development with re-  
10 spect to motor vehicle dealers; and providing for an  
11 effective date."

12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

13 \* Section 1. AS 08.01.010 is amended by adding a new paragraph to read:  
14 (31) regulation of motor vehicle dealers under AS 08.66.

15 \* Sec. 2. AS 08.66.010 is amended to read:

16 Sec. 08.66.010. DEALERS TO REGISTER. A dealer in motor vehi-  
17 cles, trailers or semi-trailers shall, as a condition to engaging in  
18 business in the state, register biennially with the department [DE-  
19 PARTMENT OF PUBLIC SAFETY].

20 \* Sec. 3. AS 08.66.020 is repealed and reenacted to read:

21 Sec. 08.66.020. FEES. The department shall set registration and  
22 renewal fees for dealers under AS 08.01.065.

23 \* Sec. 4. AS 08.66.030 is amended to read:

24 Sec. 08.66.030. FORM OF APPLICATION. The department [DEPARTMENT  
25 OF PUBLIC SAFETY] shall prescribe and furnish the form of application  
26 for dealer registration. The application must [SHALL] contain

- 27 (1) the name under which the business is conducted;  
28 (2) the location of business;  
29 (3) the name and address of all persons having an interest

1 in the business, and in the case of a corporation the application must  
2 [SHALL] contain the name and address of the president and secretary  
3 [TWO PRINCIPAL OFFICERS];

4 (4) the name and make of all vehicles handled;

5 (5) a statement of whether [OR NOT] used vehicles are han-  
6 dled;

7 (6) a statement that the applicant is a bona fide dealer in  
8 motor vehicles, trailers, or semi-trailers with an established busi-  
9 ness at the location given;

10 (7) other information the department [DEPARTMENT OF PUBLIC  
11 SAFETY] requires to administer this chapter.

12 \* Sec. 5. AS 08.66.040 is amended to read:

13 Sec. 08.66.040. FILING APPLICATION FOR REGISTRATION. The  
14 application shall be filed with the department [DEPARTMENT OF PUBLIC  
15 SAFETY]. Upon receipt of the application the department shall examine  
16 it and may make an investigation of the information in it. If the  
17 department is satisfied that the dealer is entitled to registration,  
18 and the fees have been paid and a bond filed, the department shall  
19 assign a distinctive registration number to the dealer and file the  
20 dealer's application and index it alphabetically and numerically. A  
21 dealer is registered when the department assigns a registration num-  
22 ber.

23 \* Sec. 6. AS 08.66.060 is amended to read:

24 Sec. 08.66.060. BOND. (a) An [EVERY] applicant for [DEALER]  
25 registration or [FOR] renewal under this chapter [OF DEALER REGISTRA-  
26 TION] shall file with the application [OR REQUEST FOR RENEWAL,] and  
27 [SHALL] maintain in force while registered, a bond in favor of the  
28 state. The bond shall be [,] executed by an authorized corporate  
29 surety approved by the commissioner [OF PUBLIC SAFETY], in the amount

1 of \$10,000, except that a dealer who sells only motorcycles shall  
2 maintain [IN FORCE WHILE REGISTERED] a bond in favor of the state [,  
3 EXECUTED AND APPROVED IN THE SAME MANNER AS BONDS REQUIRED OF OTHER  
4 DEALERS UNDER THIS SECTION,] in the amount of \$3,000. Instead of a  
5 corporate surety bond the commissioner may [, IN THE COMMISSIONER'S  
6 SOLE DISCRETION,] accept a bond in the same amount with at least two  
7 individual sureties, that is secured [EACH JUSTIFYING] with real prop-  
8 erty in twice the amount of the bond. The commissioner shall investi-  
9 gate [MAKE THE INVESTIGATION NECESSARY] to determine the actual finan-  
10 cial responsibility of the individual sureties. The [CONDITION OF  
11 THE] bond must require [SHALL BE] that the applicant [WILL] conduct  
12 dealer business under [IN ACCORDANCE WITH] this chapter and agree not  
13 to [WILL NOT] commit fraud or make fraudulent representations in the  
14 course of business.

15 (b) The bond shall be filed in the office of the commissioner  
16 [OF PUBLIC SAFETY]. A surety may cancel the bond upon 30 days advance  
17 notice in writing filed with the commissioner. However, cancellation  
18 does not relieve a surety of liability arising on the bond from a sale  
19 made by the bonded dealer before cancellation or a liability that  
20 [WHICH] has accrued upon the bond before cancellation. The commis-  
21 sioner shall retain the cancelled bond on file [AND MAY NOT RELIEVE A  
22 SURETY OF A LIABILITY ARISING BEFORE CANCELLATION].

23 \* Sec. 7. AS 08.66.090 is amended to read:

24 Sec. 08.66.090. DEFINITIONS [DEALER DEFINED]. In this chapter

25 (1) "commissioner" means the commissioner of commerce and  
26 economic development;

27 (2) "dealer" means a person, or an agent, broker or sales-  
28 man of a person, who is engaged in buying, selling or dealing in new  
29 or used motor vehicles, trailers, or semi-trailers in the state;

1                   (3) "department" means the Department of Commerce and  
2                   Economic Development.

3       \* Sec. 8. AS 18.65 is amended by adding a new section to article 3  
4 read:

5                   Sec. 18.65.320. CANCELLATION OF IDENTIFICATION CARD. (a) The  
6 department shall cancel an identification card if the person receiving  
7 the card fails to give the required or correct information in the  
8 person's application. Nothing in this section prohibits reapplication  
9 by the person or reissuance of the identification card.

10                   (b) A person whose identification card has been cancelled shall  
11 return the card to the department. Failure to return a cancelled card  
12 within 10 days after receiving notice of the cancellation is a vio-  
13 lation punishable by a fine of up to \$100.

14       \* Sec. 9. AS 28.10.051 is amended to read:

15                   Sec. 28.10.051. DEPARTMENT MAY SUSPEND OR REVOKE REGISTRATION.  
16 The department may suspend or revoke the registration of a vehicle,  
17 the certificate of registration or registration plates for a vehicle,  
18 or a special permit when

19                   (1) the department determines that the registration or  
20 certificate, plate or permit was fraudulently procured or erroneously  
21 issued;

22                   (2) the department determines that a registered vehicle is  
23 mechanically unsafe to be driven or moved on a highway, vehicular way  
24 or area, or other public property in this state and the vehicle has  
25 been seized or impounded under AS 28.05.091;

26                   (3) a registered vehicle has been scrapped, dismantled or  
27 destroyed beyond repair;

28                   (4) the department determines that a required fee or tax  
29 has not been paid and the fee or tax is not paid upon reasonable

1 notice and demand;

2 (5) a registration plate, permit, or certificate is know-  
3 ingly displayed upon a vehicle other than the vehicle for which is-  
4 sued;

5 (6) the department determines that the owner of a vehicle  
6 has committed an offense under this chapter involving the registration  
7 or the certificate, plate, or permit to be suspended or revoked;

8 (7) the vehicle has been reported to the department as  
9 stolen or unlawfully converted; [OR]

10 (8) the department is otherwise required to do so under the  
11 laws of this state; or

12 (9) the department determines that the vehicle owner has  
13 violated the requirements of AS 28.10.146 or 28.10.147.

14 \* Sec. 10. AS 28.10.108(b) is amended to read:

15 (b) Subject to the provisions of (f) of this section, a vehicle  
16 subject to registration

17 (1) under AS 28.10.011 and 28.10.421(b)(3) and (4) and  
18 (c)(1) - (4) shall have its initial registration, and may have its  
19 annual registration, renewed during the month of December;

20 (2) under AS 28.10.181, 28.10.411 and 28.10.421(d)(3) [,  
21 (6)] and (9) shall have its initial registration, and may have its  
22 annual registration, renewed during the month of January.

23 \* Sec. 11. AS 28.10 is amended by adding new sections to read:

24 Sec. 28.10.146. REGISTRATION OF INTERSTATE RENTAL TRUCKS. (a)  
25 Notwithstanding any other registration requirement of this chapter, a  
26 fleet rental truck owner or authorized representative shall register a  
27 percentage of the total fleet as determined under this subsection, and  
28 shall pay the fees and taxes required by this chapter. The percentage  
29 of fleet rental trucks required to be registered is equal to the total

1 number of miles that all trucks in the rental fleet were driven in  
2 this state during a calendar year or other period established by the  
3 department by regulation, divided by the total number of miles that  
4 all trucks in the rental fleet were driven in all states and the  
5 District of Columbia during that period.

6 (b) When applying for registration under (a) of this section,  
7 the fleet rental owner or authorized representative shall file with  
8 the department a certified report containing verifiable data, report-  
9 ing

10 (1) the total number of miles operated by all of the trucks  
11 in the rental fleet in all states and the District of Columbia during  
12 the preceding calendar year or other period specified by the depart-  
13 ment;

14 (2) the total number of miles operated in this state by all  
15 of the trucks in the rental fleet during the preceding calendar year  
16 or other period specified by the department; and

17 (3) other fleet rental truck registration information that  
18 the department may require.

19 (c) A fleet rental owner or authorized representative whose  
20 application for registration under this section has been accepted by  
21 the department shall preserve records of the period on which the  
22 application was based for four years. Upon request of the department,  
23 the fleet rental owner or authorized representative shall

24 (1) provide records preserved under this subsection to the  
25 department for audit; or

26 (2) pay the cost of an audit conducted by a representative  
27 of the department at the office of the owner.

28 (d) After compliance with this section, all trucks identified as  
29 part of the rental fleet, and currently registered in any state or in

1 the District of Columbia, may operate in this state.

2 (e) If the department determines that the fleet rental owner or  
3 authorized representative has not registered fleet rental trucks as  
4 required by this section, the department may suspend or revoke a  
5 registration previously issued, and may deny future fleet rental  
6 registration under (a) of this section, until the owner or authorized  
7 representative has complied with this section. If registration under  
8 (a) of this section has been suspended, revoked, or denied, all the  
9 owner's fleet rental trucks present in the state must be registered  
10 under applicable state law.

11 (f) A fee or tax paid as a result of registration required under  
12 this section does not satisfy or offset other fees or taxes levied by  
13 the state or a political subdivision in connection with the ownership  
14 or operation of fleet rental trucks.

15 (g) In this section, "fleet" means a fleet of 10 or more rental  
16 trucks that are rented or offered for rent without a driver.

17 Sec. 28.10.147. REGISTRATION OF INTERSTATE RENTAL TRAILERS. (a)  
18 Notwithstanding any other registration requirement of this chapter, a  
19 fleet rental trailer owner or authorized representative shall register  
20 the average number of trailers present in this state as calculated  
21 under this subsection, and shall pay the fees and taxes required by  
22 this chapter. The average number of trailers is equal to the total  
23 number of trailers in the fleet that were present at any time in the  
24 state during a calendar year or other period established by the de-  
25 partment by regulation, divided by the number of calendar months in  
26 the period.

27 (b) When applying for registration of trailers as required under  
28 (a) of this section, the fleet rental owner or authorized representa-  
29 tive shall file with the department a certified report containing

1 verifiable data as to the average number of trailers that were present  
2 at any time in the state for the previous calendar year or other  
3 period specified by the department.

4 (c) A fleet rental owner or authorized representative whose  
5 application for registration under this section has been accepted by  
6 the department shall preserve records of the period on which the  
7 application was based for four years. Upon request of the department,  
8 the fleet rental owner or authorized representative shall

9 (1) provide records preserved under this subsection, to the  
10 department at its office for audit; or

11 (2) pay the cost of an audit conducted by a representative  
12 of the department at the office of the owner.

13 (d) After compliance with this section, all trailers identified  
14 as part of the rental fleet, and currently registered in any state or  
15 in the District of Columbia, may operate in this state.

16 (e) If the department determines that the fleet rental owner or  
17 authorized representative has not registered fleet rental trailers as  
18 required by this section, the department may suspend or revoke a  
19 registration previously issued, and may deny future registration under  
20 (a) of this section, until the owner has complied with this section.  
21 If registration under (a) of this section has been suspended, revoked,  
22 or denied, all the owner's fleet rental trailers present in the state  
23 must be registered under applicable state law.

24 (f) A fee or tax paid as a result of registration required under  
25 this section does not satisfy or offset other fees or taxes levied by  
26 the state or a political subdivision in connection with the ownership  
27 or operation of fleet rental trailers.

28 (g) In this section, "fleet" means a fleet of 10 or more rental  
29 trailers that are rented or offered for rent for personal use, not for

1 the transportation of persons or property for hire or other commercial  
2 use, and includes a boat trailer, baggage trailer, box trailer, utili-  
3 ty trailer, house trailer, or travel trailer.

4 \* Sec. 12. AS 28.10.381 is repealed and reenacted to read:

5 Sec. 28.10.381. FILING A LIEN OR ENCUMBRANCE. (a) A lien or  
6 other encumbrance on a vehicle may be filed by delivering to the  
7 department

8 (1) a manufacturer's certificate of origin or an existing  
9 certificate of title;

10 (2) an application for a new certificate of title, signed  
11 by the registered owner and containing the name and address of any  
12 lienholder and the date of the lienholder's interest;

13 (3) applicable filing fees required by law; and

14 (4) other documents or information required by the depart-  
15 ment.

16 (b) Upon approval of the application, the department shall send  
17 to the person holding a lien or other encumbrance a new certificate of  
18 title which displays the name of the owner and indicates the existence  
19 of the lien or other encumbrance.

20 \* Sec. 13. AS 28.10.421(b) is amended to read:

21 (b) The annual registration fees under this subsection are im-  
22 posed within the following classifications for:

23 (1) a passenger vehicle or motor home not used or main-  
24 tained for the transportation of persons or property for hire or for  
25 other commercial use.....\$35;

26 (2) a pick-up truck or a van not exceeding 6,000 pounds  
27 unladen weight and not used or maintained for the transportation of  
28 persons or property for hire or for other commercial use.....\$40;

29 (3) a taxicab.....\$70;

1 (4) a motor bus with a seating capacity for 20 or more  
2 persons and used exclusively for commercial purposes in the transport-  
3 ing of visitors or tourists.....\$85;

4 (5) a motorcycle or a motor-driven cycle.....\$20;

5 (6) a [TWO- OR FOUR-WHEELED] trailer not used or maintained  
6 for the transportation of persons or property for hire or for other  
7 commercial use, including, but not limited to, a boat trailer, baggage  
8 trailer, box trailer, utility trailer, [OR] house trailer, travel  
9 trailer, or a trailer rented or offered for rent.....\$ 5.

10 \* Sec. 14. AS 28.10.495(a) is amended to read:

11 (a) Upon application by a disabled or medically handicapped  
12 person, or by an organisation that transports disabled or medically  
13 handicapped persons, the department shall issue to the applicant,  
14 without charge, a special permit bearing the control number of the  
15 applicant. The permit issued under this section, when displayed in  
16 the front windshield of a parked or standing vehicle, shall provide  
17 for special consideration by the public with respect to the parking or  
18 standing in designated spaces of a vehicle that [WHICH] is being used  
19 for the transportation of a [THE] disabled or medically handicapped  
20 person.

21 \* Sec. 15. AS 28.10.495(b) is amended to read:

22 (b) A person is not entitled to use the special permit provided  
23 for in (a) of this section except when providing transportation for a  
24 [THE] disabled or handicapped person [WITH RESPECT TO WHOM THE PERMIT  
25 WAS ISSUED]. Upon the death of a [THE] disabled or handicapped person  
26 to whom a special permit has been issued, the special permit shall be  
27 returned to the department. If an organisation to which a special  
28 permit has been issued ceases transporting disabled or handicapped  
29 persons, or ceases operating, it shall return the special permit to

1        the department.

2        \* Sec. 16. AS 44.33.020 is amended by adding a new paragraph to read:

3                    (31) administer state laws relating to registration of  
4        dealers in motor vehicles, trailers, or semi-trailers.

5        \* Sec. 17. AS 28.05.011(10), AS 28.10.181(g) and 28.10.421(d)(6) are  
6        repealed.

7        \* Sec. 18. This Act takes effect January 1, 1990.