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SB 223 TITLE & SPONSOR SUMMARY 14:18 5/22/84 PAGE 1 OF 2
AMENDED TITLE: SSSB 223
AN ACT RELATING TO MOTOR VEHICLES, AND PROVIDING FOR AN
EFFECTIVE DATE

PRIME SPONSOR: JOSEPHSON.

CO-SPONSORS:

CURRENT STATUS: 6/26/83 IN (S) LABOR & COM REFERRAL FINANCE

SB 223 SENATE ACTION 14:18 5/22/84 PAGE 2 OF 2
DATE SEQ PAGE LEGISLATIVE ACTION

06/26/83 01 1529 FIRST READING -- COMMITTEE REPORTS
LABOR & COMMERCE
FINANCE
RULES

*** ** ** ** **

Sectional Analysis SB-223

"An Act relating to motor vehicles, and providing for an effective date."

Sec 1 Boiler plate language to indicate purpose of legislation. Similar to AS 28.20.010.

Sec 2 This change to AS 28.10.011 is also included in CSHB-184 (State Affairs). We feel the public would be better served if it read "a mobile home as defined in 13 AAC 40.010(27)." The regulation also covers mobile units used as "places of business, storage or other off-highway purpose."

Sec 3 Probably necessary language if bill is enacted. All references in this and following units should refer to "motor vehicles" versus "vehicles". AS 28.35.260(7) and (17) read:

(7) "motor vehicle" means a vehicle which is self-propelled except a vehicle moved by human or animal power.

(17) "vehicle" means a device in, upon, or by which a person or property may be transported or drawn upon or immediately over a highway or vehicular way or area except devices used exclusively upon stationary rails or tracks.

If passed as "vehicle" we would require proof of insurance on utility trailers, boat trailers, horse trailers, cargo trailers, etc.

It does not provide for self-insurers. AS 28.20.400

Sec 4 Corrections would have to be made to Sec 3 to make this section workable.

Sec 5 Same comment as Sec 4.

Sec 6 This same change is contained in CSHB-184.

Sec 7 We are not sure all family members are listed on a motor vehicle liability policy. For example a 16 year old applying for their first license. This could cause the public a lot of frustration.

Sec 8 This would be expensive as the departmental notice would have to be by registered mail. AS 28.05.121

Sec 9 This is a cost increase item. We would have to enlarge the Alaska Drivers Manual to adequately cover (4), (5), and (6). We would also have to change our written tests by enlarging, i.e. adding more questions or deleting some driving knowledge questions. We would have to buy additional new slides and reprogram our test machines for a longer test.

Sec 10 Raises liability limits from \$25,000/50,000/10,000 to \$100,000/300,000/50,000 in the F.R. law to conform to new chapter AS 28.22. The increased cost to the public would be a burden to the economically disadvantaged.

Sec 11 Raises F.R. liability to 100/300/50 to conform.

Sec 12 Raises F.R. liability to 100/300/50 to conform.

Sec 13 Raises F.R. liability to 100/300/50 to conform.

Sec 14 Adds "or underinsured..." We have no problem with this.

Sec 15 There are several grey areas here (1). This places an additional burden on the insurance company, which they can do, but they will pass the cost to the customer in increased premiums for all.

The department would have to establish a computer program to trigger a response what policy abuses appear in a person's record.

If the motor vehicle is owned by more than one person, do we suspend all licenses. Could be wife, children, etc. At present, we do not have the ability to correlate all these to a policy or a vehicle.

(m) Experience of other jurisdictions is that an "insurance card" only means that the person or vehicle was insured on the day the card was issued. It does not guarantee it is insured when shown to someone.

Sec 16 Change in monetary limits to 100/300/50.

Sec 17 New Chapter

AS 28.22.010(b) does not say the policy will list everyone covered, i.e., family, by the policy. How can we know who can be given a drivers license under Sec. 7. A person could bring in anyones policy and get a drivers license, then drive his own uninsured car.

AS 28.22.010(1). The department does not have the capability to determine a correlation between drivers licenses and motor vehicle registration. There are too many duplicate or similar names in the files. Alaskans are a highly mobile population so the address is often not a valid identifier. We would have to add another identifier to the vehicle registration such as date of birth (DOB) of primary owner(s) or social security number (SSN). Although we do have the authority to require these (AS 28.10.211(b)(2) and Public Law 94-455, October 4, 1976), many citizens indicate great resentment when asked for their SSN. We have no way of knowing who all were insured under the terminated policy. What the section says is we suspend the owners driver's license but the rest of the family can continue to drive uninsured in other vehicles.

AS 28.22.010(m). As stated previously, the only validity an insurance card has is on the day it is issued.

AS 28.22.020. No comments.

AS 28.22.500(a). No comments.
(b). No comments.
(c). No comments.
(d). No comments.

AS 28.22.510

510(c) provides for the opportunity for a hearing under AS 28.05.131. This would require added hearing officers and a greatly increased travel budget in order to allow for timely hearings.

AS 28.22.520. No comments.

AS 28.22.536. No comments.

AS 28.22.540. No comments.

AS 28.22.550. If bill is enacted, this section is a very valid action.

Sec 18 See Administration Position paper for suggested wording and supplement.

Sec 19 See our comments on Sec. 7.

Sec 20 No comments.

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: 1/3/84

REQUEST

Bill/Resolution No.: SSSR 223
 Title: "An Act Relating to Motor Vehicles" (Liability Insurance)
 Sponsor: Sen. Josephson
 Requestor: Sen. Labor & Comm.
 Date of Request: 1/9/84

FISCAL DETAIL

Agency Affected: Public Safety
 Program Category Affected: Public Protection and Administration of Justice
 BRU Program or Subprogram(s) Affected: Alaska State Troopers/Det. & CIB
 Div. of Motor Vehicles/Vehicle Services

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES	45.8	188.4	578.0	612.7	649.5	688.5
200 TRAVEL	1.5	6.0	34.5	36.5	38.7	41.1
300 CONTRACTUAL	20.0	41.8	424.6	450.1	477.3	505.6
400 SUPPLIES	3.1	9.9	38.7	41.0	43.5	46.1
500 EQUIPMENT		60.0				3.0
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	70.4	307.0	1,075.8	1,140.3	1,209.0	1,284.8

CAPITAL						
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REVENUE			(120.0)	(127.2)	(134.8)	(142.9)
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FUNDING: (Thousands of Dollars)

GENERAL FUND	70.4	307.0	1,075.8	1,140.3	1,209.0	1,284.8
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME	3	3	13	13	13	13
PART-TIME						
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

Not indicated by sponsor of bill

ANALYSIS: Attach a separate page for analysis

Prepared By: Marcia Lynn McKenzie Phone: 465-4349
 Division: Administrative Services Date: 1/3/84

Approved by Commissioner: [Signature] Date: 1/8/84
 Agency: Department of Public Safety

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

12/1/83

DIVISION OF ALASKA STATE TROOPERS
FISCAL NOTE ANALYSIS
SSSB 223

Motor Vehicle Liability Insurance

Passage of this bill will require a statewide enforcement effort to ensure compliance. This will require numerous Troopers all over the State to spend patrol time enforcing provisions of this particular law. The bulk of the activity will take place in the Anchorage area, Fairbanks, and Juneau. One additional Trooper is requested for each of these locations to absorb the increased work load.

(A) First Year Costs - FY 84 (3 months only)

	<u>Three Troopers</u>	<u>Academy(1)</u>	<u>Totals</u>
Personal Services	\$ 45,833		\$45,833
Travel	1,500		1,500
Contractual Services	10,446	9,540	19,986
Supplies and Materials	2,475	636	3,111
TOTAL	<u>\$ 60,254</u>	<u>10,176</u>	<u>70,430</u>

(1) The Public Safety Academy is budgeted only for costs of training replacement Troopers based on normal turnover of personnel. Any new Troopers required due to new legislation need additional funding.

(B) Second Year Costs - FY 85 (full year costs)

Personal Services	\$188,415	\$188,415
Travel	6,000	6,000
Contractual Services	41,784	41,784
Supplies and Materials	9,900	9,900
Equipment (2)	60,900	60,900
TOTAL	<u>\$306,999</u>	<u>\$306,999</u>

(2) -Equipment costs are incurred during the second year only.

(C) Costs Beyond FY 85 - include a 6% inflation allowance

Special Note: If this legislation is not enacted into law for the three new Troopers to enter the upcoming Academy scheduled to begin in April, 1984, the Academy costs shown for FY 84 would need to be added to the FY 84 costs, for a revised FY 85 total of \$317.2.

Division of Motor Vehicles

The basic assumption of this fiscal note is that for this bill to be effective there must be an adequate system of enforcement and compliance. Other states with mandatory insurance laws estimate that 5-15% of their vehicles are operating without insurance as owners find ways to circumvent the law. We find that our present Financial Responsibility Law, AS 28.20, is practically as effective and far less costly both to the state bureaucracy and to the citizens directly.

For this bill to be effective the Division of Motor Vehicles must create a compliance unit of 10 employees. The compliance unit must be located with division headquarters since there must be ready reference to the existing ownership and registration records. The present headquarters location will not accommodate any expansion, therefore the fiscal note provides for relocation and lease of new space for the Division of Motor Vehicles headquarters in FY-86.

A further breakdown by object code is attached. The reason for such a large figure in the 310 category is because of statutory requirements that all suspension notices must be sent by registered or certified mail, return receipt requested. If action is taken on 30,000 uninsured vehicles, at \$1.55 postage per notice, that cost alone is \$46,500.00.

Section 5 of the bill exempts certain locations not on the highway system from vehicle registration. The loss of revenue from these locations where vehicles are currently being registered will be \$120.0 in FY-86. The total number of division employees will not be affected since these locations are being served by commission agents rather than state employees.

The FY-36 costs for the compliance unit are as follows:

100 PERSONAL SERVICES

1 Insurance Compliance Unit Supervisor (Range 18, new classification)	54.8
2 Hearing Officers (Range 16, new classification)	95.5
1 Clerk V	35.2
5 Clerk IV	158.5
1 Microfilm Equipment Operator	33.3

TOTAL 378.3

200 TRAVEL

Hearing Officers to travel to various cities to conduct suspension hearings	28.2
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300 CONTRACTUAL

310 - phones, tolls, postage	57.9
320 - forms, advertising, public notices	16.8
330 - headquarters space lease (6,000 sq. ft.)	182.0
360 - equipment rental (4 AJIS terminals)	33.7
382a - DF Chargeback-programming and maintenance	89.9

TOTAL 380.3

400 COMMODITIES

Normal office supplies	28.2
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500 EQUIPMENT

Office Equipment (10 employees)	31.8
Word Processing Station (Wang)	21.2
Microfilm Camera and Printer	42.4

TOTAL 95.4

910.3

Inflation for subsequent years is figured at the 6% level.

1.	POSITION TITLE State Trooper				RANGE/STEP 76/A	BARG. UNIT A	FORM 12 PAGE/LINE	GOV.	APPROV.	DISAPP.		
2.	TYPE OF POSITION PFT	STAFF MONTHS 13.85	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION Anchorage	ELECTION DISTRICT	LEG.				
3.	CONTINUATION LEVEL				JUSTIFICATION							
4.	TYPE OF EXPENDITURE				<p>Passage of this bill will require additional enforcement activity, especially in urban areas, to make the legislation effective. It is more efficient to increase staffing rather than increase existing overtime for current personnel.</p> <p>Costs include 25 hours of overtime monthly and a fully equipped patrol vehicle.</p>							
	1		2								3	
	PERSONAL SERVICES											
5.	Salary		44,279									
6.	Benefits		11,217									
7.	Supplemental Benefits		2,550									
8.	Fixed Benefits		2,612									
9.	TOTAL PERSONAL SERVICES		01								60,658	
10.	Travel		02								2,000	
11.	Contractual		03								13,928	
12.	Commodities		04								3,300	
13.	Equipment		05								20,300	
14.	Other											
15.	TOTAL COST										100,186	
	RECEIPT CODE	FUNDING SOURCE										
16.		Federal Receipts 1002										
17.		G.F. Match 1003		100.2								
18.		General Funds 1004										
19.		I-A Receipts 1005										
20.		Program Receipts 1028										
21.		Other										
FOR B&M USE ONLY												
4A KEY NUMBER												

13 REQUEST FOR
NEW POSITION

AGENCY Department of Public Safety
 PROGRAM Crime I.D. and Apprehension
 BRU Alaska State Troopers
 COMPONENT Detachments & CIB

Page 1 of 3
 Revised Date _____

FY 85

1.	POSITION TITLE State Trooper				RANGE/STEP 76/A	BARG. UNIT A	FORM 12 PAGE/LINE	GOV.	APPROV.	DISAPP.
2.	TYPE OF POSITION PFT	STAFF MONTHS 13.85	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION Fairbanks	ELECTION DISTRICT	LEG.		
3.	CONTINUATION LEVEL				JUSTIFICATION					
4.	TYPE OF EXPENDITURE									
	1		2		3					
	PERSONAL SERVICES									
5.	Salary		49,418							
6.	Benefits		12,519							
7.	Supplemental Benefits		2,550							
8.	Fixed Benefits		2,612							
9.	TOTAL PERSONAL SERVICES		01		67,099					
10.	Travel			02	2,000					
11.	Contractual			03	13,928					
12.	Commodities			04	3,300					
13.	Equipment			05	20,300					
14.	Other									
15.	TOTAL COST				106,627					
	RECEIPT CODE				FUNDING SOURCE					
16.					Federal Receipts 1002					
17.					G.F. Match 1003					
18.					General Funds 1004					
19.					I-A Receipts 1005					
20.					Program Receipts 1028					
21.					Other					
FOR B&M USE ONLY										
4A KEY NUMBER										

Passage of this bill will require additional enforcement activity, especially in urban areas, to make the legislation effective. It is more efficient to increase staffing rather than increase existing overtime for current personnel.

Costs include 25 hours of overtime monthly and a fully equipped patrol vehicle.

13 REQUEST FOR
NEW POSITION

AGENCY Department of Public Safety

PROGRAM Crime I.D. and Apprehension

BRU Alaska State Troopers

COMPONENT Detachments & CIB

FY 85

Page 2 of 3

Revised Date

1.	POSITION TITLE State Trooper			RANGE/STEP 76/A	BARG. UNIT A	FORM 12 PAGE/LINE	GOV.	APPROV.	DISAPP.
2.	TYPE OF POSITION PFT	STAFF MONTHS 13.85	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION Juneau	ELECTION DISTRICT	LEG.	
3.	CONTINUATION LEVEL		ADDITION	X	JUSTIFICATION				
4.	TYPE OF EXPENDITURE			AMOUNT					
	1	2	3						
	PERSONAL SERVICES								
5.	Salary	44,279							
6.	Benefits	11,217							
7.	Supplemental Benefits	2,550							
8.	Fixed Benefits	2,612							
9.	TOTAL PERSONAL SERVICES	01	60,658						
10.	Travel	02	2,000						
11.	Contractual	03	13,928						
12.	Commodities	04	3,300						
13.	Equipment	05	20,300						
14.	Other								
15.	TOTAL COST		100,186						
	RECEIPT CODE	FUNDING SOURCE							
16.		Federal Receipts	1002						
17.		G.F. Match	1003						
18.		General Funds	1004	100.2					
19.		1-A Receipts	1005						
20.		Program Receipts	1028						
21.		Other							
FOR B&M USE ONLY									
4A KEY NUMBER _____									

Passage of this bill will require additional enforcement activity, especially in urban areas, to make the legislation effective. It is more efficient to increase staffing rather than increase existing overtime for current personnel.

Costs include 25 hours of overtime monthly and a fully equipped patrol vehicle.

13 REQUEST FOR
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FY 85

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Revised Date _____