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295

STATE OF ALASKA
FISCAL NOTE

Revision Date _____, 1983

I. REQUEST

Bill/Resolution No.: SB 295
 Title: An act relating to liquor cards
 Sponsor: Fahrenkamp
 Requestor: Senate State Affairs

II FISCAL DETAIL

Agency Affected: Public Safety
 Program Category Affected: Life & Prop.
 BRU, Program of Subprogram(s) Affected: Driver/Vehicle Services

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
OPERATING						
100 PERSONAL SERVICES		450.4	954.8	1,012.1	1,072.8	1,137.2
200 TRAVEL		7.1	8.4	9.1	9.6	10.2
300 CONTRACTUAL		1,138.4	682.2	723.1	766.5	812.5
400 COMMODITIES		9.2	11.8	12.5	13.3	14.1
500 EQUIPMENT		106.6	-0-	-0-	5.5	7.5
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC						
TOTAL OPERATING		1,711.7	1,657.2	1,756.8	1,867.7	1,981.5
CAPITAL						
REVENUE		1,275.0	310.0	345.0	380.0	415.0

FUNDING: (Thousands of Dollars)

GENERAL FUND	1,711.7	1,657.2	1,756.8	1,867.7	1,981.5
FEDERAL FUNDS					
OTHER (Specify Source)					

POSITIONS:

FULL-TIME		29	29	29	29	29
PART-TIME		4	4	4	4	4
TEMPORARY						

III. SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

Not identified by sponsor

IV. ANALYSIS: Attach a separate page for any Analysis (3 pages attached)

Prepared By: Bill Brown Phone: 465-4335
 Division: Motor Vehicles Date: 5-27-83
 Approved by Commissioner: [Signature] Date: 6/3/83
 Department: Public Safety

Distribution:

- Original to Legislative Finance
- Copy to Office of Management and Budget (for Legislature introduced bills)
- Copy to Department (for Governor intr. duced bills)
- Copy to Sponsor
- Copy to Requestor (if different from Sponsor)

3/8/83

GENERAL COMMENTS:

This bill would require an all new licensing system similar to, but distiac-tively different from, the present driver's license, I.D. card system.

A 6% inflation factor was used for succeeding fiscal years after FY84.

REVENUES:

Revenues based on sale of 250,000 original liquor cards at \$5.00 each, and 5,000 duplicates at \$5.00 each from January 1 thru June 30, 1984.

ASSUMPTIONS:

- 1) Effective date of January 1, 1984, therefore, all personal services, and other areas where possible, funded at 50% for FY84.
- 2) Commission agents who now issue driver's licenses will agree to accept additional work load of issuing liquor cards, not requiring state offices for issuance in areas such as Seward, Petersburg, Wrangell, etc.
- 3) Liquor card will contain a picture of holder. Any card without a photograph is too susceptible to fraud, theft and misuse.
- 4) Present DMV staff, offices and equipment will be used where practical.
- 5) New personnel in field offices will be trained in DMV work in order that they can help out if there is time available, and vice-versa.
- 6) Hearing officers will be stationed in Anchorage and Fairbanks, and travel as necessary in their area of responsibility.
- 7) Alcohol education courses begin in January, 1984.
- 8) Commence issuing liquor cards in January 1984, however, deadline for public interested in obtaining liquor card delayed until July 1, 1984, allowing six months for implementation (education and issuance of cards) before liquor establishments require proof of card from purchaser.
- 9) Training specified in AS 04.16.315 would be contracted to Department of Health & Social Services, Office of Alcoholism and Drug Abuse, or to private contractors.
- 10) Approximately 250,000 applicants for alcohol education course, and original liquor cards the first six months.
- 11) Alcohol Education Course would be a two hour course with maximum class size of 30 people. 12,000 classes the first six months at a contract cost of \$25 per hour. 12,000 classes x 2 hours x \$25 = \$600,000. FY85 and succeeding fiscal years conduct 1,000 classes annually.

FISCAL DETAIL:

100 PERSONAL SERVICES

Headquarters

# Positions	Position Title	Range	Annual Salary
1	Administrative Officer II	19	38,988
1	Hearing Officer - Admin Ast III		
	Anchorage	16	30,876
1	Hearing Officer - Admin Ast III		
	Fairbanks	16	34,332
1	Document Processing Clerk IV	12	24,312
1	Document Processing Clerk III	10	20,976
5	Document Processing Clerk II	8	93,180
2	Clerk Typist II	7	35,304
1	Microfilm Equipment Operator II	10	20,976
2	Accounting Clerk III	10	41,952
		sub-total	340,896
		plus benefits at 34%	115,904
		total	456,800

Field

1	MVR IV (Supervisor Anchorage)	11	22,932
13	MVR II (Anc - 4; Fbx - 2; Jno - 1; Palmer - 1; Kenai - 1; Sold - 1; Ktn - 1; E.R. - 1; and Homer - 1)	9	

100 PERSONAL SERVICES (Cont')

4	MVR II (Part-time: Valdez - 1; Delta Jct - 1; Sitka - 1; Kodiak - 1)	9	39,576	
		sub-total	327,624	
		plus benefits at 36% FT and 32% PPT	116,361	
		total	443,985	

456,800 + 443,985 = 900,785 divided by
one-half to reflect 1-1-84 thru 6-30-84 450.4

200 TRAVEL

To conduct hearings for adopting regulations:				
Anc to Fbx, Pal, Ken/Sol, Kodiak, Nome, Jno, Ktn and Sitka			2.0	
Per diem for 14 days at \$80.00			1.1	
			3.1	
To conduct hearings for license actions:				
	Travel		2.7	
	Per Diem		1.3	
			4.0	7.1

300 CONTRACTUAL

310 - Communications				
Postage				
2,900 warning letters @ .20			.6	
250 suspensions @ 1.90			.5	
1,440 licensed liquor establishments to get notice per AS 04.16.300(2)				
Mail weekly - 1,440 x 26 x .20			7.5	
Mailing of applications from field offices to Hqts. (260,000 applica- tions @ .91 per 50			4.7	
General correspondence			2.8	
			16.1	16.1
Telephones and tolls			4.0	4.0
				20.1
320 - Printing & Advertising				
Photo licenses - 260,000 @ .78			202.8	
Applications - 300,000 @ .0351			10.5	
Other forms (suspensions, warnings, affidavits, etc.)			4.2	
Advertising				
Public notice - regulations			2.1	
Public Education - new law & how to comply - radio spots			3.2	
5 ads in 20 newspapers @ \$120			12.0	
			234.8	234.8
330 - Space Expense				
Anchorage headquarters space lease 6,600 square feet			94.4	94.4
340 - Repair & Maintenance				
Microfilm equipment			1.6	
Office equipment			2.1	
			3.7	3.7

300 CONTRACTUAL (Cont')

360 - Equipment Rental

2 copy machines @ 255 per mo each	3.1	
3 copy machines @ 206 per mo each	3.7	
Postage meters, 4 @ 50 per mo each	1.2	
23 AJIS terminals	91.4	
	<u>99.4</u>	99.4

380 - Professional Fees & Services

Microfiche processing @ 525 per mo x 6	3.2	
Build counters	8.0	
Contractual services to write DP program	50.0	
Contract to conduct alcohol education course	600.0	
	<u>661.2</u>	661.2

382a -Data Processing Chargeback

On-line computer system storage @ 300 per mo x 6	1.8	
Network connect - 23 terminals @ 1,000	23.0	
	<u>24.8</u>	24.8
		<u>1,138.4</u>

400 - COMMODITIES

460 - Equipment Parts & Supplies

Microfilm equipment parts	.2	.2
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480 - Office & Library Supplies

Paper to copy 250 suspension notices to send to 1,440 liquor establishments = 360,000 copies @ 25.60 per 5,000	1.8	
Other normal consumable supplies (envelopes, stationary, etc.) for field and headquarters	5.0	
Microfilm supplies (film, print paper, developer, fixer, etc.)	2.0	
	<u>9.0</u>	9.0
		<u>9.2</u>

500 EQUIPMENT

550 - Office

14 desks @ 426.10	6.0	
2 deskw/typing extensions @ 523.72	1.0	
26 typewriters 1,244.88	32.4	
8 typewriter stands 94.12	.8	
16 steno chairs 247.47	4.0	
18 stools 140.50	2.5	
12 guest chairs 98.30	1.2	
5 calculators 331.51	1.7	
7 file cabinets, 5 drw w/lock 285.15	2.0	
2 storage cabinets 223.50	.4	
2 bookcases 124.19	.2	
1 microfilm reader printer, Kodak IMT 150	16.9	
1 Recordak Reliant 800 microfilmer	21.6	
2 microfiche readers 300	.6	
1 microfilm roll file cabinet	.6	
2 recorders 900	1.8	
1 transcriber	.9	
1 WANG word processing station	12.0	
	<u>106.6</u>	106.6

TOTAL 1,711.7



Alaska Court System
State of Alaska

KARLA L. FORSYTHE
General Counsel

OFFICE OF ADMINISTRATIVE DIRECTOR

303 K Street
Anchorage, AK 99501

May 31, 1983

Ms. Suzanne Tryck
Senator Victor Fischer's Office
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Dear Suzanne:

295
You indicated last week that SB ~~23~~ relating to liquor cards probably will not be moved out of state affairs until the next session. I would appreciate it if you could put this letter in the appropriate file as a reminder for someone to give me a call when the bill comes under active consideration by the committee.

Sincerely,

Karla L. Forsythe
General Counsel

KLF:smh

STATE OF ALASKA

DEPARTMENT OF PUBLIC SAFETY OFFICE OF THE COMMISSIONER

Vic/ST
BILL SHEFFIELD, GOVERNOR

POUCH N
JUNEAU, ALASKA 99811
PHONE:

June 1, 1983

465-4322

The Honorable Vic Fischer
Chairman, Senate State Affairs Committee
Pouch V
Juneau, Alaska 99811

JUN - 3 1983

Dear Senator Fischer:

Be advised that the Department of Public Safety is opposed to SB295. Although drinking is a problem in Alaska, this Bill will not solve the problem. The entire theory behind the Bill can be subverted by the suspended or revoked person having a friend buy his alcohol for him or obtaining I.D. from another state. The following discussion delineates problems that we feel exist in this Bill.

Sec. 04.16.015 - Particularly in the larger towns and cities or on the highway system how can a person "prove" that another has been in the state for 90 days or intends to remain in the state?

Sec. 04.16.300(2) - In 1983 there were 1,440 persons licensed under the cited statutes. This Bill would require the Department not only to maintain a current list of these people, but requires that the Department notify each of them every time someone has their card cancelled, suspended or revoked. Conversely, every time a person is re-licensed under Sec. 04.15.355 everyone must be notified to take the name off the list. (Or in actuality a new list of suspended, revoked or cancelled would be issued weekly.) $1,440 \times 52 \text{ weeks} = 75,880$ documents. This is 156 reams of paper (plus reproduction costs) and 75,000 envelopes.

Sec. 04.16.310(1) - Many people obtain both a driver's license and an identification card. By regulation we require a driver's license issued by another state or jurisdiction be turned in at the time of issuance of an Alaska driver's license. It is not required by law. We do not inquire whether they also have an I.D. card from another state or jurisdiction. Theoretically, a person could have their liquor card revoked, suspended or cancelled, then on a trip outside they would obtain an I.D. card, then come back and use it as long as it was valid.

Senator Vic Fischer
June 1, 1983
Page Two

Sec. 04.16.315(b) - A course such as this would probably best be administered by contract with the Department of Health and Social Services or private contractors. It would take a number of qualified instructors in the larger cities plus traveling instructors to periodically visit the smaller communities.

Sec. 05.15.320(b) - I believe all fees must be established by statute, not regulation. This section should also establish fees for duplicates (lost card), renewals, reinstatement after suspension, revocation or cancellation.

Sec. 04.16.325(f) - This would require two additional hearing officers: 1-Anchorage, 1-Fairbanks.

Sec. 04.16.340 - A card valid for five years would lend itself to corruption of the system. Control would be lost, current address becomes void, etc. Anyone moving could give their card to a friend who is remaining in the state, etc., etc. A photo card would stop some of this but not all.

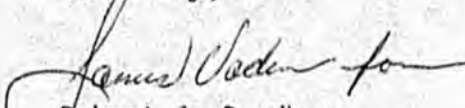
Sec. 04.16.355 - See comments for 04.16.340. Would suggest modifying that if the person has 50% or more in point accumulation, they would be required to attend the school again.

Sec. 04.16.345 - This will also require the mailing of several hundred letters each year.

Sec. 04.16.365(e) - This will necessitate exchange of information between this unit and the Driver Services unit.

Sec. 04.16.380 - As mentioned earlier, this will need at least two hearing officers plus clerical support.

Sincerely,


Robert J. Sundberg
Commissioner