

HOUSE
COMMITTEE REPORT

(11)
Date referred: 4/16

(Fin added 4/16, removed from rls) FURTHER REFERRALS:

DATE: 4-28-86

The FINANCE Committee has considered HB 535

"An Act relating to the registration of motor vehicles."

and recommends:

- do pass
- do not pass
- do pass with attached amendment(s)
- no recommendation
- replace with CS HB 535 (FIN) same title
- new title

and recommends do pass

further referral to the _____ Committee

- and attaches:
- letter of intent
 - first fiscal note
 - new fiscal note 15.0
 - zero fiscal note

SIGNING DO PASS:

SIGNING OTHER RECOMMENDATIONS:

[Signature]
Mike Spymore with amendments
Pat Fourchat
Steve King
[Signature]
[Signature]
[Signature]
[Signature]
[Signature]

[Signature] - no Rec
[Signature] - no Rec
Ronald J. [Signature] - no Rec
[Signature] - no Rec
[Signature] - no Rec
[Signature]
[Signature]
[Signature]

[Signature]
Chairman

STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date: 4/25/86

REQUEST

Bill/Resolution No.: CSHB 535 (FIN)
 Title: Insurance requirements for
 registering a motor vehicle
 Sponsor: Rieger
 Requestor: House Finance Committee
 Date of Request: 4/25/86

FISCAL DETAIL

Agency Affected: Public Safety
 BRU: Motor Vehicles
 Components: _____

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		0	---	---	---	---
TRAVEL		0	---	---	---	---
CONTRACTUAL		15.0	---	---	---	---
SUPPLIES		0	---	---	---	---
EQUIPMENT		0	---	---	---	---
LAND & STRUCTURES		0	---	---	---	---
GRANTS, CLAIMS		0	---	---	---	---
MISCELLANEOUS		0	---	---	---	---
TOTAL OPERATING		15.0	---	---	---	---

CAPITAL		0	0	0	0	0
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REVENUE						
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FUNDING : (Thousands of Dollars)

GENERAL FUND		15.0	---	---	---	---
FEDERAL FUNDS		0	---	---	---	---
OTHER		0	---	---	---	---
TOTAL		15.0	---	---	---	---

POSITIONS :

FULL-TIME		0				
PART-TIME		0				
TEMPORARY		0				

ANALYSIS : Attach a separate page if necessary

The \$15.0 provided under contractual is to promote and advertise the new registration requirement before the law becomes effective on July 1, 1987. If the ad campaign is effective, the division should not need additional positions to handle increased work load created (cont)

Prepared by: Al Adams, Chair Phone: 465-3706
 Division: House Finance Committee Date: 4/25/86

Approved by Commissioner: _____ Date: _____
 Agency: _____

Distribution (by Agency preparing fiscal note):

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

CONTINUATION
FISCAL NOTE ANALYSIS
CS HB 535 (FINANCE)

because the public is not aware of the new requirement. If additional positions and funding are needed, they should be requested through the regular budget process in the future.

Original sponsors: Rieger, Ringstad,
Gruenberg, et al

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 535 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the insurance requirements for
7 obtaining and maintaining motor vehicle registration,
8 and the insurance requirements for motor-driven
9 cycles; and providing for an effective date."

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

11 * Section 1. AS 28.10.021(a) is amended to read:

12 (a) The owner of a vehicle subject to registration shall apply
13 for registration under this chapter by properly completing the form
14 prescribed by the commissioner under AS 28.05.041. Before the issu-
15 ance of a certificate of registration by the department, the owner
16 shall

17 (1) pay all registration fees and taxes required under this
18 chapter and federal heavy vehicle use taxes required under 26 U.S.C.
19 4481 (Internal Revenue Code of 1954);

20 (2) unless the owner qualifies as a self-insurer under
21 AS 28.20.400, is exempted from obtaining liability insurance under
22 AS 28.22.200, or the vehicle is a motor-driven cycle, provide evidence
23 satisfactory to the department of the existence of a motor vehicle
24 liability policy that complies with AS 28.22.010 for the vehicle being
25 registered; and

26 (3) [SHALL] comply with [ANY] other applicable statutes and
27 regulations.

28 * Sec. 2. AS 28.10.041(a) is amended to read:

29 (a) The department may refuse to register a vehicle if

1 (1) the application contains a false or fraudulent state-
2 ment;

3 (2) the applicant fails to furnish information required by
4 the department;

5 (3) the applicant is not entitled to the issuance of a
6 certificate of title or registration under this chapter;

7 (4) the vehicle is determined to be mechanically unsafe to
8 be driven or moved on a highway, vehicular way or area, or other
9 public property in the [THIS] state;

10 (5) the department has reasonable grounds to believe that
11 the vehicle was stolen or fraudulently acquired or that the granting
12 of registration would be a fraud against the rightful owner or other
13 person having a valid lien upon the vehicle;

14 (6) the registration of the vehicle has been suspended or
15 revoked for any reason under the laws of the [THIS] state;

16 (7) the required fees or taxes have not been paid;

17 (8) the vehicle or applicant fails to comply with this
18 chapter or regulations authorized by this section;

19 (9) the vehicle is without a certificate of inspection
20 required under AS 28.32.010;

21 (10) the vehicle is subject to a state-approved local
22 emission inspection program adopted by municipal ordinance under
23 AS 46.03.210, and the vehicle does not meet the standards of that
24 program, unless the vehicle uses a fuel source that does not primarily
25 emit carbon monoxide;

26 (11) the applicant fails to provide evidence satisfactory
27 to the department of the existence of a motor vehicle liability policy
28 that complies with AS 28.22.010 for the vehicle being registered,
29 unless the owner of the vehicle qualifies as a self-insurer under

1 AS 28.20.400, is exempted from obtaining liability insurance under
2 AS 28.22.200, or the vehicle is a motor-driven cycle.

3 * Sec. 3. AS 28.10.051 is amended by adding a new subsection to read:

4 (b) Unless the owner qualifies as a self-insurer under AS 28.-
5 20.400, is exempted from obtaining liability insurance under AS 28.-
6 22.200, or the vehicle is a motor-driven cycle, the department may
7 suspend or revoke the registration of a vehicle that is not insured by
8 a motor vehicle liability policy that complies with AS 28.22.010.

9 * Sec. 4. AS 28.10.111 is amended by adding a new subsection to read:

10 (c) Unless the owner of the vehicle qualifies as a self-insurer
11 under AS 28.20.400, is exempted from obtaining liability insurance
12 under AS 28.22.200, or the vehicle is a motor-driven cycle, the de-
13 partment may not renew the registration of a vehicle without receiving
14 evidence satisfactory to the department that the vehicle is insured by
15 a motor vehicle liability policy that complies with AS 28.22.010.

16 * Sec. 5. AS 28.22 is amended by adding a new section to read:

17 Sec. 28.22.520. EXEMPTION FOR MOTOR-DRIVEN CYCLES. This chapter
18 does not apply to motor-driven cycles.

19 * Sec. 6. This Act takes effect July 1, 1987.
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R.O. 4-28-86
Rec'd 5-8-86

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: CSHB 535 (Fin) am
Title: An Act relating to registration
of motor vehicles: EFD

Sponsor: Rieger, et al
Requestor: Senate State Affairs
Date of Request: 5/07/86

FISCAL DETAIL

Agency Affected: Public Safety
BRU: Division of Motor Vehicles

Components: Vehicle Services,
Field Services

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES			451.8	474.4	498.1	523.0
TRAVEL			10.5	11.0	11.5	12.0
CONTRACTUAL			181.4	140.1	147.1	154.4
SUPPLIES			6.0	6.3	6.6	6.9
EQUIPMENT			20.9	-0-	-0-	-0-
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	670.6	631.8	663.3	696.3

CAPITAL						
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REVENUE						
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FUNDING : (Thousands of Dollars)

GENERAL FUND	-0-	-0-	670.6	631.8	663.3	696.3
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	670.6	631.8	663.3	696.3

POSITIONS :

FULL-TIME			15	15	15	15
PART-TIME						
TEMPORARY						

ANALYSIS Attach a separate page if necessary

See attached pages.

FISCAL IMPACT OF 670.6 BEGINS IN FY88.

Prepared by: Charles R. Hosack, Deputy Director
Division: Motor Vehicles

Phone: 269-5551
Date: 5-8-86

Approved by Commissioner: [Signature]
Agency: Public Safety

Date: 5/7/86

Distribution (by Agency preparing fiscal note):

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

ANALYSIS:

There are approximately 450,000 motor vehicles for which proof of insurance will be required prior to registration. The checking and processing of the insurance papers will require extra time and approximately 20-30% of these vehicles will be refused registration because the owner does not have proper proof. This will require a second trip to division offices when the proper proof is obtained.

It is estimated that 10% of the owners would change insurance, miss a payment, or cancel their policy. Of that 10% (45,000 vehicles), it is estimated that 50% would fail to notify DMV of the change. Revocation notices would be sent to 22,500 owners by certified mail as required by law. The other 22,500 owners would notify DMV of the change so their vehicle records would be updated.

Approximately 2,500 hearings will be conducted annually as a result of the revocation.

71000 Personal Services

Anchorage

1 Dr. Imp. Spec. (Hearing Officer) Range 16	43.0
1 Doc. Proc. Clk. III, Range 10	31.0
4 MVR II, Range 9	123.2
2 Doc. Proc. Clk. II, Range 8	55.6
3 Doc. Proc. Clk. I, Range 7	79.2
2 Clk. Typist II, Range 7	52.8

Fairbanks

2 MVR II, Range 9	<u>67.0</u>	451.8
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72000 Travel

Travel and per diem for field office training sessions	2.5	
Travel and per diem for hearings	<u>8.0</u>	10.5

73000 Contractual

73100 Professional Services

Counter modifications to accomodate 6 additional employee work stations	12.0	
DP program modification	<u>36.0</u>	48.0

73300	Communications		
	Postage		
	Return mailing for incorrect renewals	8.8	
	Certified suspension letters		
	22,500 @ \$1.75	39.4	
	Certified hearing letters		
	2,500 @ \$1.75	4.4	
	General correspondence	2.5	
	Telephones and tolls	<u>3.0</u>	
			58.1
73500	Promotion and Advertising		
	Forms	7.5	
	Advertising	<u>5.0</u>	
			12.5
73700	DP network connect - 9 terminals	9.0	
	CRT maintenance	<u>8.1</u>	
			17.1
73800	Lease space	20.0	
	1,000 sq. ft @ \$1.67 sq. ft. per month		20.0
73860	Equipment lease		
	9 CRT/printers @ 206/month	22.2	
	1 copy machine	<u>3.5</u>	
			25.7
	Total Contractual		181.4
74000	Supplies		
	74220 Normal office supplies, computer paper, etc.	6.0	
			6.0
75025	Equipment		
	76050 Furniture		
	4 desks @ 576	2.3	
	5 desks @ 468	2.3	
	6 typewriters @ 1369	8.2	
	8 chairs @ 272	2.2	
	6 counter stools @ 350	2.1	
	3 CRT tables @ 225	.7	
	6 file cabinets @ 308	1.8	
	1 storage cabinet @ 300	.3	
	Recording equipment	<u>1.0</u>	
			20.9

Rec'd 4-28-86 p.m.
R.O. 4-28-86 a.m.

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: 4-22-86

REQUEST

Bill/Resolution No.: CSHB 535 (JUD)
 Title: An Act relating to registration
of motor vehicles; EFD
 Sponsor: Rieger, et al
 Requestor: House Finance
 Date of Request: 4/23/86

FISCAL DETAIL

Agency Affected: Public Safety
 BRU: Division of Motor Vehicles
 Components: Vehicle Services,
Field Services

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES			451.8	474.4	498.1	523.0
TRAVEL			10.5	11.0	11.5	12.0
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SUPPLIES			6.0	6.3	6.6	6.9
EQUIPMENT			20.9	-0-	-0-	-0-
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	670.6	631.8	663.3	696.3

CAPITAL						
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REVENUE	-0-	-0-	450.0	459.0	468.0	477.0
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FUNDING : (Thousands of Dollars)

GENERAL FUND	-0-	-0-	670.6	631.8	663.3	696.3
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	670.6	631.8	663.3	696.3

POSITIONS :

FULL-TIME			15	15	15	15
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

See attached pages.

Prepared by: Charles R. Hosack, Deputy Director
 Division: Motor Vehicles

Phone: 269-5551
 Date: 4/22/86

Approved by Commissioner: [Signature]
 Agency: Public Safety

Date: 4/24/86

Distribution (by Agency preparing fiscal note):

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

ANALYSIS:

There are approximately 450,000 motor vehicles for which proof of insurance will be required prior to registration. The checking and processing of the insurance papers will require extra time and approximately 20-30% of these vehicles will be refused registration because the owner does not have proper proof. This will require a second trip to division offices when the proper proof is obtained.

It is estimated that 10% of the owners would change insurance, miss a payment, or cancel their policy. Of that 10% (45,000 vehicles), it is estimated that 50% would fail to notify DMV of the change. Revocation notices would be sent to 22,500 owners by certified mail as required by law. The other 22,500 owners would notify DMV of the change so their vehicle records would be updated.

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3 Doc. Proc. Clk. I, Range 7	79.2	
2 Clk. Typist II, Range 7	52.8	

Fairbanks

2 MVR II, Range 9	<u>67.0</u>	451.8
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72000 Travel

Travel and per diem for field office training sessions	2.5	
Travel and per diem for hearings	<u>8.0</u>	10.5

73000 Contractual

73100 Professional Services

Counter modifications to accommodate 6 additional employee work stations	12.0	
DP program modification	<u>36.0</u>	48.0

ANALYSIS OF CSHB 535 (Finance)

Sec. 1. Amends the motor vehicle registration procedure by requiring the owner of a vehicle to show proof of insurance coverage before the Division of Motor Vehicle issues a certificate of registration, unless the owner qualifies as a self-insurer, is exempted from obtaining liability insurance under AS 28.22.200, or the vehicle is a motor-driven cycle.

Sec. 2. Authorizes the Division of Motor Vehicles to refuse to register a motor vehicle if its owner fails to produce evidence satisfactory to the Department that he has purchased a liability insurance policy, unless the owner qualifies as a self-insurer, is exempted from obtaining liability insurance under AS 28.22.200, or the vehicle is a motor-driven cycle.

Sec. 3. Authorizes the Division of Motor Vehicles to suspend or revoke a vehicle's registration if the owner does not have a liability insurance policy in force with the required coverage, unless the owner qualifies as a self-insurer, is exempted from obtaining liability insurance under AS 28.22.-200, or the vehicle is a motor-driven cycle.

Sec. 4. Prohibits the Division of Motor Vehicles from renewing the registration of a vehicle without first receiving proof of liability insurance from the owner, unless the owner qualifies as a self-insurer, is exempted from obtaining liability insurance under AS 28.22.200, or the vehicle is a motor-driven cycle.

Sec. 5. Exempts motor-driven cycles from the state's mandatory motor vehicle insurance law.

Sec. 6. Makes the Act effective on July 1, 1987.

/wtl

Original sponsors: Rieger, Ringstad,
Gruenberg, et al

[] = deleted
= added

1 IN THE HOUSE

2 CS FOR HOUSE BILL NO. 535 (FIN)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to ^[the registration of motor vehicles] the insurance requirements for
7 obtaining and maintaining motor vehicle registration,
8 and the insurance requirements for motor-driven
9 cycles; and providing for an effective date."

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

11 * Section 1. AS 28.10.021(a) is amended to read:

12 (a) The owner of a vehicle subject to registration shall apply
13 for registration under this chapter by properly completing the form
14 prescribed by the commissioner under AS 28.05.041. Before the issu-
15 ance of a certificate of registration by the department, the owner
16 shall

17 (1) pay all registration fees and taxes required under this
18 chapter and federal heavy vehicle use taxes required under 26 U.S.C.
19 4481 (Internal Revenue Code of 1954);

20 (2) unless the owner qualifies as a self-insurer under
21 AS 28.20.400, is exempted from obtaining liability insurance under
22 AS 28.22.200, or the vehicle is a motor-driven cycle, provide evidence
23 satisfactory to the department of the existence of a motor vehicle
24 liability policy that complies with AS 28.22.010 for the vehicle being
25 registered; and

26 (3) [SHALL] comply with [ANY] other applicable statutes and
27 regulations.

28 * Sec. 2. AS 28.10.041(a) is amended to read:

29 (a) The department may refuse to register a vehicle if

1 (1) the application contains a false or fraudulent state-
2 ment;

3 (2) the applicant fails to furnish information required by
4 the department;

5 (3) the applicant is not entitled to the issuance of a
6 certificate of title or registration under this chapter;

7 (4) the vehicle is determined to be mechanically unsafe to
8 be driven or moved on a highway, vehicular way or area, or other
9 public property in the [THIS] state;

10 (5) the department has reasonable grounds to believe that
11 the vehicle was stolen or fraudulently acquired or that the granting
12 of registration would be a fraud against the rightful owner or other
13 person having a valid lien upon the vehicle;

14 (6) the registration of the vehicle has been suspended or
15 revoked for any reason under the laws of the [THIS] state;

16 (7) the required fees or taxes have not been paid;

17 (8) the vehicle or applicant fails to comply with this
18 chapter or regulations authorized by this section;

19 (9) the vehicle is without a certificate of inspection
20 required under AS 28.32.010;

21 (10) the vehicle is subject to a state-approved local
22 emission inspection program adopted by municipal ordinance under
23 AS 46.03.210, and the vehicle does not meet the standards of that
24 program, unless the vehicle uses a fuel source that does not primarily
25 emit carbon monoxide;

26 (11) the applicant fails to provide evidence satisfactory
27 to the department of the existence of a motor vehicle liability policy
28 that complies with AS 28.22.010 for the vehicle being registered,
29 unless the owner of the vehicle qualifies as a self-insurer under

1 AS 28.20.400, is exempted from obtaining liability insurance under
2 AS 28.22.200, or the vehicle is a motor-driven cycle.

3 * Sec. 3. AS 28.10.051 is amended by adding a new subsection to read:

4 (b) Unless the owner qualifies as a self-insurer under AS 28.-
5 20.400, is exempted from obtaining liability insurance under AS 28.-
6 22.200, or the vehicle is a motor-driven cycle, the department may
7 suspend or revoke the registration of a vehicle that is not insured by
8 a motor vehicle liability policy that complies with AS 28.22.010.

9 * Sec. 4. AS 28.10.111 is amended by adding a new subsection to read:

10 (c) Unless the owner of the vehicle qualifies as a self-insurer
11 under AS 28.20.400, is exempted from obtaining liability insurance
12 under AS 28.22.200, or the vehicle is a motor-driven cycle, the de-
13 partment may not renew the registration of a vehicle without receiving
14 evidence satisfactory to the department that the vehicle is insured by
15 a motor vehicle liability policy that complies with AS 28.22.010.

16 * Sec. 5. AS 28.22 is amended by adding a new section to read:

17 Sec. 28.22.520. EXEMPTION FOR MOTOR-DRIVEN CYCLES. This chapter
18 does not apply to motor-driven cycles.

19 * Sec. 6. This Act takes effect July 1, 1987.
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STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: 4-22-86

REQUEST

Bill/Resolution No.: CSHB 535 (JUD)
 Title: An Act relating to registration
of motor vehicles; EFD
 Sponsor: Rieger, et al
 Requestor: House Finance
 Date of Request: 4/23/86

FISCAL DETAIL

Agency Affected: Public Safety
 BRU: Division of Motor Vehicles
 Components: Vehicle Services,
Field Services

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES			451.8	474.4	498.1	523.0
TRAVEL			10.5	11.0	11.5	12.0
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SUPPLIES			6.0	6.3	6.6	6.9
EQUIPMENT			20.9	-0-	-0-	-0-
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	670.6	631.8	663.3	696.3

CAPITAL						
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REVENUE	-0-	-0-	450.0	459.0	468.0	477.0
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FUNDING : (Thousands of Dollars)

GENERAL FUND	-0-	-0-	670.6	631.8	663.3	696.3
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	670.6	631.8	663.3	696.3

POSITIONS :

FULL-TIME			15	15	15	15
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

See attached pages.

Prepared by: Charles R. Hosack, Deputy Director Phone: 269-5551
 Division: Motor Vehicles Date: 4/22/86

Approved by Commissioner: [Signature] Date: 4/24/86
 Agency: Public Safety

Distribution (by Agency preparing fiscal note):

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

ANALYSIS:

There are approximately 450,000 motor vehicles for which proof of insurance will be required prior to registration. The checking and processing of the insurance papers will require extra time and approximately 20-30% of these vehicles will be refused registration because the owner does not have proper proof. This will require a second trip to division offices when the proper proof is obtained.

It is estimated that 10% of the owners would change insurance, miss a payment, or cancel their policy. Of that 10% (45,000 vehicles), it is estimated that 50% would fail to notify DMV of the change. Revocation notices would be sent to 22,500 owners by certified mail as required by law. The other 22,500 owners would notify DMV of the change so their vehicle records would be updated.

Approximately 2,500 hearings will be conducted annually as a result of the revocation.

71000 Personal Services

Anchorage

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1 Doc. Proc. Clk. III, Range 10	31.0	
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Fairbanks

2 MVR II, Range 9	<u>67.0</u>	451.8
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72000 Travel

Travel and per diem for field office training sessions	2.5	
Travel and per diem for hearings	<u>8.0</u>	10.5

73000 Contractual

73100 Professional Services

Counter modifications to accomodate 6 additional employee work stations	12.0	
DP program modification	<u>36.0</u>	48.0

DEPARTMENT OF PUBLIC SAFETY
POSITION PAPER - CS HB 535(Jud) .

Oppose

April 23, 1986

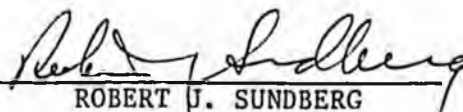
CS HB 535(Jud). An Act relating to the registration fees for motor vehicles, the insurance requirements for obtaining and maintaining motor vehicle registration, the insurance requirements for motor-driven cycles, and the cancellation of motor vehicle insurance policies.

Requiring proof of insurance at the time of registration will impact DMV at its field offices. The time involved in the registration process will increase. Such work increases will create long lines at major field offices.

The cost of the extra workload could be justified if the program were extremely effective, but the experience of other states has shown that this is not the case. It is very easy for a person to obtain a binder, register a vehicle, and then immediately cancel the policy without making even one payment. States with this type of requirement estimate that between 3 and 10 percent of their registered vehicles are uninsured.

The mandatory insurance bill that passed the 1984 Legislature has been in effect for the past year. An evaluation of that program on December 31, 1985, shows the numbers of uninsured motorists in Alaska is at 8.88%. This number is within the range achieved by other states having a program similar to this bill. Consequently it appears that through the mandatory insurance program we have already achieved what we would expect this bill to accomplish.

The requirement of notification placed on insurance companies will create additional work and the cost of this work will be passed on to the public by increasing premiums. Keeping track of the notifications and revoking registrations with all the "due process" requirements will create a costly administrative burden. The cost of this will be in addition to the costs for the current program since none of those requirements have changed.


ROBERT J. SUNDBERG
Commissioner

§ 28.22.130

for damage to
250 in any one
than \$250. This
of the insured
hicle. (§ 13 ch

The maximum
insured and
apter shall be
nd the amount
underinsured

motorists and
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ensation law;
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death liability

underinsured

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§ 28.22.200

MOTOR VEHICLES

§ 28.22.210

(2) through being struck by a vehicle owned by the named insured or the insured's spouse or relative residing in the same household. (§ 13 ch 70 SLA 1984)

Article 3. Proof of Insurance Required.

Section	Section
200. Motor vehicle liability insurance required: Exemptions	240. Administrative suspension of drivers' licenses
210. Requirement of proof of motor vehicle liability insurance	250. Falsification of information
220. Method of proof following an accident	260. Proof for the future
230. Method of proof following a charge of a moving traffic violation	

Sec. 28.22.200. Motor vehicle liability insurance required: Exemptions. (a) The operator or owner of a motor vehicle subject to registration under AS 28.10.011 when driven on a highway, vehicular way or area, or on other public property in the state, shall have motor vehicle liability insurance that complies with this chapter or a certificate of self-insurance that complies with AS 28.20.400 in effect for the motor vehicle, unless

(1) the motor vehicle is being driven or moved on a highway, vehicular way, or a public parking place in the state that is not connected by a land highway or vehicular way to

- (A) the land-connected state highway system, or
- (B) a highway or vehicular way with an average daily traffic volume greater than 499; and

(2) the operator has not been cited within the preceding five years for a traffic law violation with a demerit point value of six or more on the point schedule determined under regulations adopted by the department under AS 28.15.221.

(b) The department shall publish annually a list of areas that meet the requirements of (a)(1) of this section. This list shall be available for public inspection at all division of motor vehicle offices in the state. (§ 13 ch 70 SLA 1984)

Sec. 28.22.210. Requirement of proof of motor vehicle liability insurance. The owner or operator of a motor vehicle required to have motor vehicle liability insurance that complies with this chapter or a certificate of self-insurance that complies with AS 28.20.400, must show proof of this insurance when that person

- (1) is involved in an accident that results in bodily injury to or death of a person, or damage to the property of a person exceeding \$500; or
- (2) is charged with a traffic law violation with a demerit point value of six or more on the point schedule determined under regulations adopted by the department under AS 28.15.221. (§ 13 ch 70 SLA 1984)

R.O. 4-28-86
Rec'd 5-9-86

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: SCS CSHB 535 (SA) Prop.
 Title: An Act relating to the insurance requirements for obtaining and maintaining motor vehicle registration...
 Sponsor: Rieger
 Requestor: Senate Finance
 Date of Request: May 8, 1986

FISCAL DETAIL

Agency Affected: Public Safety
 BRU: Motor Vehicles
 Components: Field Services

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES			190.2	199.7	209.7	220.2
TRAVEL			2.5	2.6	2.7	2.8
CONTRACTUAL		15.0	95.6	49.6	52.0	54.6
SUPPLIES			3.0	3.2	3.4	3.6
EQUIPMENT			2.7			
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	15.0	294.0	255.1	267.8	281.2

CAPITAL						
----------------	--	--	--	--	--	--

REVENUE						
----------------	--	--	--	--	--	--

FUNDING : (Thousands of Dollars)

GENERAL FUND	-0-	15.0	294.0	255.1	267.8	281.2
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	15.0	294.0	255.1	267.8	281.2

POSITIONS :

FULL-TIME	0	0	6	6	6	6
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

FY87 funding is to promote and advertise the new registration requirement before the law becomes effective on July 1, 1987. Impact of new law will begin in FY88. One time charges for counter modifications, DP programming, CRT installations, and equipment included in FY88 only. 5% inflation factor used for FY89 and subsequent years.

Prepared by: Charles R. Hosack Phone: 269-5551
 Division: Motor Vehicles Date: 5-8-86
 Approved by Commissioner: [Signature] Date: 5/8/86
 Agency: Public Safety

Distribution (by Agency preparing fiscal note):

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

FISCAL NOTE

SCS CSHB 535 (SA) Prop.

*Sec. 28.10.115 is deleted
from the (FIN) version gm*

There are approximately 450,000 motor vehicles for which proof of insurance will be required. Prior to registration, the reviewing and processing of the insurance papers will require additional time. Approximately 20-30% of these vehicles will initially be refused registration because the owner does not have proper proof of insurance. This will require a second trip to division offices when proper proof is ultimately obtained.

71000 PERSONAL SERVICE

<u>Anchorage</u>		
4 MVR II, Range 9	123.2	
<u>Fairbanks</u>		
2 MVR II, Range 9	<u>67.0</u>	
Total Personal Services		190.2

72000 TRAVEL

Travel & per diem for field office training sessions	2.5	
Total Travel		2.5

73000 CONTRACTUAL

73100 Professional Services		
Counter modifications to accomodate 6 additional employee work stations	12.0	
1 DP Program modification	36.2	
CRT installation	<u>.2</u>	
73100 Total		48.4
73300 Communications		
Postage		
Return mailing for incorrect renewals	8.8	
General correspondence	2.5	
Telephones & tolls	<u>3.1</u>	
73300 Total		14.4
73500 Promotion & Advertising		
Forms	1.5	
Advertising (informing public)	<u>5.0</u>	
73500 Total		6.5
73700 DP Network Connect Fees for 6 terminals @ 1,000/year each	6.0	
CRT maintenance @ 900/year each	<u>5.4</u>	
73700 Total		11.4

FISCAL NOTE

SCS CSHB 535 (SA) *Pr. P*

73860	Equipment Lease		
	6 CRT Terminals @ 206/month each	14.9	
73860	Total		14.9
	Total Contractual		95.6
74000	SUPPLIES		
74220	Normal office supplies, computer paper, etc.	3.0	
	Total Supplies		3.0
75025	EQUIPMENT		
76050	Furniture		
	File cabinets, 2 @ 308.66	.6	
	Chairs (stools) 6 @ 350.00	2.1	
76050	Total		2.7
	Total Equipment		2.7
	TOTAL FY88 REQUEST		294.0

If the fiscal note is not approved then the additional workload will have to be absorbed by existing employees. If the six employees requested in this fiscal note are not funded it represents a 20% decrease in service levels at the registration and title areas in the Anchorage and Fairbanks field offices. The decrease in service would be most evident during the summer months when the offices have the largest workload. A decrease in service will result in waiting times of more than one hour on a regular basis. This is not acceptable to the public, and will generate justified complaints.

Position Title Motor Vehicle Representative II			No. of Positions 4	Range/Step 9B	Barg. Unit CGU	Gov.	Approv.	Disapp.	
Time Status PFT	Start Months 48	RP Number	Location Anchorage		Election District 7-15	Leg.			
Type of Expenditure			Justification						
1	2	3	<p>Work the public counter to issue motor vehicle registrations and titles.</p> <p>When necessary these positions will assist the mail out section in processing renewals and verification of certification of insurance.</p> <p>Assist the public by responding to inquiries concerning motor vehicle insurance requirements.</p>						
Salary	88,944								
Benefits	22,236								
Premium Pay									
Other	12,108								
Total Personal Services		123.2							
Travel									
Contractual		37.6							
Commodities		.8							
Equipment		1.7							
Other									
Total Cost		163.3							
Receipt Code	Funding Source								
	Federal Receipts	1002							
	G. F. Match	1003							
	General Funds	1004							163.3
	I-A Receipts	1005							
	Program Receipts	1028							
	CIP Receipts	1061							
	Other								
For B&M Use Only Key Number _____									

**Request For
New Position**

Agency : Department of Public Safety
 BRU : Division of Motor Vehicles
 Component : Field Services

FY 87

Page 4 of 5
 Revised Date _____

Position Title Motor Vehicle Representative II			No. of Positions 2	Range/Step 9E	Barg. Unit GCU	Gov.	Approv.	Disapp.
Time Status PFT	Staff Months .24	RP Number	Location Fairbanks		Election District	Leg.		
Type of Expenditure			Justification					
		Amount	<p>These positions would work the public counter to issue motor vehicle registrations and titles.</p> <p>Assist the public by responding to inquiries concerning motor vehicle insurance requirements.</p>					
1	2	3						
Salary	48,696							
Benefits	12,174							
Premium Pay								
Other	6,054							
Total Personal Services		67.0						
Travel								
Contractual		18.8						
Commodities		.4						
Equipment		1.0						
Other								
Total Cost		87.2						
Receipt Code			Funding Source					
			Federal Receipts 1002					
			G. F. Match 1003					
			General Funds 1004					
			I-A Receipts 1005					
			Program Receipts 1028					
			CIP Receipts 1061					
			Other					
			87.2					
For B&M Use Only								
Key Number								

**Request For
New Position**

Agency Department of Public Safety
 BRU Division of Motor Vehicles
 Component Field Services

Page 5 of 5
 Revised Date

FY 87

STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date: 4/8/86

REQUEST Page 1 of 3

FISCAL DETAIL

Bill/Resolution No.: CSHB 535 (Jud)
 Title: "An Act relating to registration of motor vehicles; EFD."

Agency Affected: Public Safety
 BRU: Motor Vehicles

Sponsor: Rieger, et al
 Requestor: House Judiciary
 Date of Request: 4/4/86

Componer's: _____

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		0	61.6	61.6	61.6	61.6
TRAVEL		0	0	0	0	0
CONTRACTUAL		15.0	78.5	18.3	18.3	18.3
SUPPLIES		0	3.0	3.0	3.0	3.0
EQUIPMENT		0	1.4	0	0	0
LAND & STRUCTURES		0	0	0	0	0
GRANTS, CLAIMS		0	0	0	0	0
MISCELLANEOUS		0	0	0	0	0
TOTAL OPERATING		15.0	144.5	82.9	82.9	82.9

CAPITAL		0	0	0	0	0
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REVENUE		0	450.0	459.0	468.0	477.0
---------	--	---	-------	-------	-------	-------

FUNDING : (Thousands of Dollars)

GENERAL FUND		15.0	144.5	82.9	82.9	82.9
FEDERAL FUNDS		0	0	0	0	0
OTHER		0	0	0	0	0
TOTAL		15.0	144.5	82.9	82.9	82.9

POSITIONS :

FULL-TIME		0	2	2	2	2
PART-TIME		0	0	0	0	0
TEMPORARY		0	0	0	0	0

ANALYSIS : Attach a separate page if necessary

Prepared by: *William J. ...*
 Division: _____

Phone: _____
 Date: 4/8/86

Approved by Commissioner: _____
 Agency: _____

Date: _____

Distribution (by Agency preparing fiscal note):

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

F I S C A L N O T E F O R F Y - 8 7

(In Thousands) CSHB 535 (Jud) page 2 of 3

CONTRACTUAL

Promotion and advertising

Advertising 15.0

TOTAL FY-87

15.0

F I S C A L N O T E F O R F Y - 8 8
(In Thousands)

CSHB 535 (Jud) page 3 of 3

PERSONAL SERVICES

In Anchorage --

2 MVR II, Range 9	<u>61.6</u>	
		61.6

CONTRACTUAL

Professional services

Counter modifications	4.0	
CRT Installation	.2	
DP Program modification	<u>36.2</u>	
		40.4

Communications

Postage	11.3	
Telephone	<u>3.1</u>	
		14.4

Promotion and advertising

Forms	1.5	
Advertising	<u>13.5</u>	
		15.0

Data Processing

Network Connect Fee for 2 Terminals	2.0	
CRT Maintenance	1.8	
CRT Lease	<u>4.9</u>	
		8.7
		78.5

SUPPLIES

Normal office supplies	<u>3.0</u>	
		3.0

EQUIPMENT

File cabinets	.6	
Stools for new positions	<u>.8</u>	
		<u>1.4</u>

TOTAL FY-88

144.5

REVENUE

Projected revenue = 450,000 motor vehicles x \$1.00 per vehicle.

NOTE: Based on estimates provided by the Dept. of Public Safety.
Presumes annual 2% increase in no. of vehicles registered.

COMPARISON OF HB 535 AND CSHB 535 (JUD)

Sections 1 - 4 are essentially the same in both versions of the bill, except that in the Judiciary CS motor-driven cycles are exempted from the new proof requirement.

Sections 5 - 10 of the Judiciary CS contain provisions not found in the original version of the bill. New language in these sections --

-- Requires insurers to notify DMV within 10 days after cancellation of a motor vehicle liability insurance policy, unless the vehicle is a motor-driven cycle. (Sec. 5.)

-- Raises by \$1 the registration fee for most motor vehicles. (Sec. 6 - 8.)

-- Exempts motor-driven cycles from mandatory motor vehicle insurance law. (Sec. 9.)

-- Adds July 1, 1987, effective date. (Sec. 10.)

/wtl

Alaska State Legislature

REPRESENTATIVE
STEVE RIEGER
District 8, Seat B

House Finance Committee



P. O. Box 110023
Anchorage, Alaska 99511

While in Juneau
P. O. Box V
Juneau, Alaska 99811
(907) 465-3464

House of Representatives

M E M O R A N D U M

April 22, 1986

TO: Representative Al Adams
FROM: Representative Steve Rieger *SR*

CSHB 535 (Jud), "An Act relating to the registration fees for motor vehicles, the insurance requirements for obtaining and maintaining motor vehicle registration, the insurance requirements for motor-driven cycles, and the cancellation of motor vehicle insurance policies; and providing for an effective date."

My staff has prepared this sectional analysis of the Judiciary Committee Substitute for House Bill 535, referenced above.

SECTION 1

Section 1 amends the procedure for motor vehicle registration. It requires the owner of a vehicle, other than a motor-driven cycle, to show proof of insurance coverage as set forth in AS 28.22.010 or to produce a certificate of self-insurance under AS 28.20.400 before the Division of Motor Vehicle issues a certificate of registration.

Under the current mandatory insurance law, a motor vehicle owner can meet the requirements for vehicle liability insurance in one of two ways:

- (1) He can purchase a liability policy with the coverage outlined in AS 28.22.010: \$50,000 for personal injury and death per person, \$100,000 for personal injury and death per accident, and \$25,000 for property damage per accident.
- (2) Alternatively, he can produce a certificate of self-insurance under AS 28.20.400. To qualify for a certificate of self-insurance, a person must have 25 or more vehicles registered in his name and provide proof of financial responsibility.

Under the existing mandatory insurance law, proof of insurance or self-insurance need not be shown until after:

(1) A driver has had an accident involving personal injury, death, or property damage of \$500 or more, or

(2) A driver has been issued a six-point traffic citation for such violations as hit and run, reckless driving, and operating a motor vehicle while under the influence.

Section 1 only alters the point in time when a vehicle owner is required to show proof his motor vehicle is insured; it requires proof of insurance before registration instead of after an accident or six-point traffic ticket.

Section 1 exempts motor-driven cycles from the new proof requirement. (See Section 9.)

SECTION 2

Section 2 authorizes the Division of Motor Vehicles to refuse to register a motor vehicle if its owner fails to produce evidence satisfactory to the Department that he has purchased a liability insurance policy, unless the vehicle is a motor-driven cycle or the owner has obtained a certificate of self-insurance.

SECTION 3

Section 3 authorizes the Division of Motor Vehicles to suspend or revoke a vehicle's registration if the owner does not have a liability insurance policy in force with the required coverage, unless the vehicle is a motor-driven cycle or the owner has obtained a certificate of self-insurance.

SECTION 4

Section 4 prohibits the Division of Motor Vehicles from renewing the registration of a vehicle without first receiving proof of liability insurance from the owner, unless the vehicle is a motor-driven cycle or the owner has obtained a certificate of self-insurance.

SECTION 5

Section 5 requires insurance companies and other insurers to notify the department of public safety within 10 days after cancellation of a motor vehicle liability insurance policy, unless the vehicle is a motor-driven cycle.

SECTIONS 6 - 8

Sections 6, 7 and 8 raise by \$1 the annual registration fee for all classes of motor vehicles, except for certain two- or four-wheeled trailers, historic vehicles, vehicles owned by disabled veterans or other handicapped persons or residents over 65 years of age, vehicles owned by the state, snowmobiles, and vehicles owned by former prisoners of war.

SECTION 9

Section 9 exempts motor-driven cycles from the state's mandatory motor vehicle insurance law.

SECTION 10

Section 10 makes the bill effective on July 1, 1987.

SAR/wtl

INFORMATION SHEET

Six-point Traffic Violations

Failure to yield to an emergency vehicle

Failure to yield to a flashing blue light

Failure of blue light to yield to authorized vehicle

Exceeding posted speed limit -- 20 or more over

Altered speed limits -- 20 or more over

Speeding in school zone/playground/crosswalk

Exceeding speed limit by 20 or more when:

 Passing school bus

 Towing mobile home

 Crossing bridge

Impeding

Failure to stop for school bus displaying red lights

Driving with driver's license revoked/cancelled/suspended

Driving in violation of limitation

Exceeding 20 mph when overtaking school bus

Operating motor vehicle while intoxicated

Reckless operation

Negligent operation

Hit and run

Reckless driving at state airport

Exceeding speed limit by 20 or more at airport

Exceeding speed limit by 20 or more in state park

DIVISION OF MOTOR VEHICLES
STATISTICS ON UNINSURED MOTORISTS
FROM JANUARY 1, 1985 TO OCTOBER 15, 1985

Accidents Involving \$500 Property
Damage or Personal Injury/Death

26,098	Drivers involved in accidents
3,779	Suspensions issued for failure to provide proof of insurance
<u>1,461</u>	Reinstatements after providing proof of insurance
2,318	Suspensions remaining in effect for failure to provide proof of insurance

Drivers Cited for Six-point
Traffic Violations

8,647	Drivers cited for six-point traffic violations
2,726	Suspensions issued for failure to provide proof of insurance
<u>312</u>	Suspensions voided after providing proof of insurance
2,414	Suspensions remaining in effect for failure to provide proof of insurance

VEHICLES COVERED UNDER HB 535

§ 28.10.010

ALASKA STATUTES

§ 28.10.011

Chapter 10. Vehicle Registration and Title.

Sec. 28.10.011. Vehicles subject to registration. Every vehicle driven, moved, or parked upon a highway or other public parking place in the state shall be registered under this chapter except when the vehicle is

- (1) driven or moved on a highway only for the purpose of crossing the highway from one private property to another, including an implement of husbandry as defined by regulation;
- (2) driven or moved on a highway under a dealer's plate or temporary permit as provided for in AS 28.10.031 and 28.10.181(j);
- (3) special mobile equipment as defined by regulation;
- (4) owned by the United States;
- (5) moved by human or animal power;
- (6) exempt under 50 U.S.C. App. 501-591 (Soldier's and Sailor's Civil Relief Act);
- (7) driven or parked only on private property;
- (8) the vehicle of a nonresident as provided under AS 28.10.121;
- (9) a commercial interstate vehicle under AS 28.10.141;
- (10) transported under a special permit under AS 28.10.151;
- (11) driven or moved on a highway or vehicular way not connected to the state highway system established under AS 19.10.020;
- (12) a mobile home as defined by regulation. (§ 7 ch 178 SLA 1978; am § 1 ch 54 SLA 1979; § 1 ch 99 SLA 1983)

Effect of amendments. — The 1983 amendment added paragraph (12).

NOTES TO DECISIONS

For case construing former AS 28.10.040 and meaning of "cross the highway," see *Newell v. National Ban*, Sup. Ct. Op. No. 2518 (File No. 5437), 646 P.2d 224 (1982).

Offered: 4/15/86
Referred: Rules

Original sponsors: Rieger, Ringstad,
Gruenberg, et al

1 IN THE HOUSE BY THE JUDICIARY COMMITTEE
2 CS FOR HOUSE BILL NO. 535 (Judiciary)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the registration fees for motor
7 vehicles, the insurance requirements for obtaining
8 and maintaining motor vehicle registration, the
9 insurance requirements for motor-driven cycles, and
10 the cancellation of motor vehicle insurance policies;
11 and providing for an effective date."

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

13 * Section 1. AS 28.10.021(a) is amended to read:

14 (a) The owner of a vehicle subject to registration shall apply
15 for registration under this chapter by properly completing the form
16 prescribed by the commissioner under AS 28.05.041. Before the issu-
17 ance of a certificate of registration by the department, the owner
18 shall

19 (1) pay all registration fees and taxes required under this
20 chapter and federal heavy vehicle use taxes required under 26 U.S.C.
21 4481 (Internal Revenue Code of 1954);

22 (2) unless the owner qualifies as a self-insurer under
23 AS 28.20.400 or the vehicle is a motor-driven cycle, provide evidence
24 satisfactory to the department of the existence of a motor vehicle
25 liability policy that complies with AS 28.22.010 for the vehicle being
26 registered; and

27 (3) [SHALL] comply with [ANY] other applicable statutes and
28 regulations.

29 * Sec. 2. AS 28.10.041(a) is amended to read:

- 1 (a) The department may refuse to register a vehicle if
- 2 (1) the application contains a false or fraudulent state-
- 3 ment;
- 4 (2) the applicant fails to furnish information required by
- 5 the department;
- 6 (3) the applicant is not entitled to the issuance of a
- 7 certificate of title or registration under this chapter;
- 8 (4) the vehicle is determined to be mechanically unsafe to
- 9 be driven or moved on a highway, vehicular way or area, or other
- 10 public property in the [THIS] state;
- 11 (5) the department has reasonable grounds to believe that
- 12 the vehicle was stolen or fraudulently acquired or that the granting
- 13 of registration would be a fraud against the rightful owner or other
- 14 person having a valid lien upon the vehicle;
- 15 (6) the registration of the vehicle has been suspended or
- 16 revoked for any reason under the laws of the [THIS] state;
- 17 (7) the required fees or taxes have not been paid;
- 18 (8) the vehicle or applicant fails to comply with this
- 19 chapter or regulations authorized by this section;
- 20 (9) the vehicle is without a certificate of inspection
- 21 required under AS 28.32.010;
- 22 (10) the vehicle is subject to a state-approved local
- 23 emission inspection program adopted by municipal ordinance under
- 24 AS 46.03.210, and the vehicle does not meet the standards of that
- 25 program, unless the vehicle uses a fuel source that does not primarily
- 26 emit carbon monoxide;
- 27 (11) the applicant fails to provide evidence satisfactory
- 28 to the department of the existence of a motor vehicle liability policy
- 29 that complies with AS 28.22.010 for the vehicle being registered,

1 unless the owner of the vehicle qualifies as a self-insurer under
2 AS 28.20.400 or the vehicle is a motor-driven cycle.

3 * Sec. 3. AS 28.10.051 is amended by adding a new subsection to read:

4 (b) Unless the owner qualifies as a self-insurer under AS 28.-
5 20.400 or the vehicle is a motor-driven cycle, the department may
6 suspend or revoke the registration of a vehicle that is not insured by
7 a motor vehicle liability policy that complies with AS 28.22.010.

8 * Sec. 4. AS 28.10.111 is amended by adding a new subsection to read:

9 (c) Unless the owner of the vehicle qualifies as a self-insurer
10 under AS 28.20.400 or the vehicle is a motor-driven cycle, the depart-
11 ment may not renew the registration of a vehicle without receiving
12 evidence satisfactory to the department that the vehicle is insured by
13 a motor vehicle liability policy that complies with AS 28.22.010.

14 * Sec. 5. AS 28.10 is amended by adding a new section to read.

15 Sec. 28.10.115. NOTIFICATION OF CANCELLATION. An insurer shall
16 notify the department within 10 days after the cancellation of a motor
17 vehicle liability policy issued by the insurer for a vehicle that is
18 registered under this chapter, unless the vehicle is a motor-driven
19 cycle.

20 * Sec. 6. AS 28.10.421(b) is amended to read:

21 (b) The annual registration fees under this subsection are
22 imposed 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 \$31 [\$30];

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 .. \$36 [\$35];

29 (3) a taxicab \$66 [\$65];

- 1 (4) a motor bus with a seating capacity for 20 or more
- 2 persons and used exclusively for commercial purposes in the trans-
- 3 porting of visitors or tourists \$81 [\$80];
- 4 (5) a motorcycle or a motor-driven cycle \$16 [\$15];
- 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 \$5.

9 * Sec. 7. AS 28.10.421(c) is amended to read:

10 (c) The annual registration fees under this subsection are

11 imposed and are based upon the actual unladen weight as established by

12 the manufacturer's advertised weight or upon the actual weight that

13 [WHICH] the owner shall furnish, subject to the approval of the com-

14 missioner or the commissioner's representative, for a vehicle, includ-

15 ing a motor vehicle pulling a trailer or semi-trailer, used or main-

16 tained for the transportation of passengers for hire, excepting taxi-

17 cabs and buses under (b) of this section, or for the transportation of

18 property for hire or for other commercial use, including a commercial

19 vehicle such as a trailer, semi-trailer, truck, wrecker, tow car,

20 hearse, ambulance, and tractor, as follows:

- 21 (1) up to and including 5,000 pounds \$46 [\$45];
- 22 (2) more than 5,000 pounds to and including 12,000 pounds
- 23 \$81 [\$80];
- 24 (3) more than 12,000 pounds to and including 18,000 pounds
- 25 \$151 [\$150];
- 26 (4) more than 18,000 pounds \$216 [\$215].

27 * Sec. 8. AS 28.10.421(d) is amended to read:

28 (d) The special registration fees under this subsection are

29 imposed annually, unless otherwise specified, for:

- 1 (1) an historic vehicle (one time only upon initial regis-
- 2 tration under AS 28.10.181) \$10;
- 3 (2) special request plates \$20;
- 4 plus the fee required for that vehicle under (b)(1) or (2) of this
- 5 section; the fee required by this paragraph shall be collected only on
- 6 the first issuance and on the replacement of special request plates;
- 7 (3) a vehicle owned by a disabled veteran or other handi-
- 8 capped person, and registered under AS 28.10.181 or a resident 65
- 9 years of age or older who complies with AS 28.10.411(c) none;
- 10 (4) a vehicle owned by the state none;
- 11 (5) a vehicle owned by an elected state official
- 12 the fee required for that vehicle under (b) of this section;
- 13 (6) a vehicle owned by a consular officer, unless waived
- 14 under AS 28.10.181 \$31 [\$30];
- 15 (7) a vehicle owned by a rancher, farmer, or person engaged
- 16 in the dairy business [DAIRYMAN] and registered under AS 28.10.181
- 17 \$31 [\$30];
- 18 (8) a snowmobile or off-highway vehicle \$5;
- 19 (9) an amateur mobile radio station vehicle,
- 20 (A) with a transceiver capable of less than five-band
- 21 [5-BAND] operation the fee required for that vehi-
- 22 cle under (b) or (c) of this section;
- 23 (B) in recognition of service to the public: a mobile
- 24 amateur radio station owned by an amateur with general class or
- 25 higher license, provided the station must be satisfactorily
- 26 proved capable of operating on at least five bands between 160
- 27 through 10 meters, must have an antenna, and must have a power
- 28 supply and wiring as a permanent part of the vehicle; the trans-
- 29 mitting unit may be removed from the car for service or dry

1 storage none
2 for a mobile amateur radio station vehicle included in (b)(1) or
3 (2) of this section;

- 4 (10) dealer registration plates,
5 (A) the initial set of plates \$41 [\$40];
6 (B) each subsequent set of plates \$21 [\$20];
7 (11) a vehicle owned by a municipality or charitable organi-
8 zation meeting the requirements of AS 28.10.181(c) \$6 [\$5];
9 (12) an occasional use vehicle under AS 28.10.181(k)
10 \$16 [\$15];
11 (13) a vehicle owned by a former prisoner of war . . none.

12 * Sec. 9. AS 28.22 is amended by adding a new section to read:
13 Sec. 28.22.520. EXEMPTION FOR MOTOR-DRIVEN CYCLES. This chapter
14 does not apply to motor-driven cycles.

15 * Sec. 10. This Act takes effect July 1, 1987.

Introduced: 1/31/86
Referred: Labor & Commerce,
State Affairs and Judiciary

BY RIEGER, RINGSTAD, GRUENBERG,
M.W. MILLER, POURCHOT, THOMPSON,
BOUCHER, PEARCE, PIGNALBERTI,
TAYLOR, HANLEY AND COLLINS

1 IN THE HOUSE

2 HOUSE BILL NO. 535

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act relating to the registration of motor vehi-
7 cles."

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

9 * Section 1. AS 28.10.021(a) is amended to read:

10 (a) The owner of a vehicle subject to registration shall apply
11 for registration under this chapter by properly completing the form
12 prescribed by the commissioner under AS 28.05.041. Before the issu-
13 ance of a certificate of registration by the department, the owner
14 shall

15 (1) pay all registration fees and taxes required under this
16 chapter and federal heavy vehicle use taxes required under 26 U.S.C.
17 4481 (Internal Revenue Code of 1954);

18 (2) unless the owner qualifies as a self-insurer under
19 AS 28.20.400, provide evidence satisfactory to the department of the
20 existence of a motor vehicle liability policy that complies with
21 AS 28.22.010 for the vehicle being registered; and

22 (3) [SHALL] comply with [ANY] other applicable statutes and
23 regulations.

24 * Sec. 2. AS 28.10.041(a) is amended to read:

25 (a) The department may refuse to register a vehicle if

26 (1) the application contains a false or fraudulent state-
27 ment;

28 (2) the applicant fails to furnish information required by
29 the department;

1 (3) the applicant is not entitled to the issuance of a
2 certificate of title or registration under this chapter;

3 (4) the vehicle is determined to be mechanically unsafe to
4 be driven or moved on a highway, vehicular way or area, or other
5 public property in the [THIS] state;

6 (5) the department has reasonable grounds to believe that
7 the vehicle was stolen or fraudulently acquired or that the granting
8 of registration would be a fraud against the rightful owner or other
9 person having a valid lien upon the vehicle;

10 (6) the registration of the vehicle has been suspended or
11 revoked for any reason under the laws of the [THIS] state;

12 (7) the required fees or taxes have not been paid;

13 (8) the vehicle or applicant fails to comply with this
14 chapter or regulations authorized by this section;

15 (9) the vehicle is without a certificate of inspection
16 required under AS 28.32.010;

17 (10) the vehicle is subject to a state-approved local
18 emission inspection program adopted by municipal ordinance under
19 AS 46.03.210, and the vehicle does not meet the standards of that
20 program, unless the vehicle uses a fuel source that does not primarily
21 emit carbon monoxide;

22 (11) the applicant fails to provide evidence satisfactory
23 to the department of the existence of a motor vehicle liability policy
24 that complies with AS 28.22.010 for the vehicle being registered,
25 unless the owner of the vehicle qualifies as a self-insurer under
26 AS 28.20.400.

27 * Sec. 3. AS 28.10.051 is amended by adding a new subsection to read:

28 (b) Unless the owner qualifies as a self-insurer under AS 28.-
29 20.400, the department may suspend or revoke the registration of a

1 vehicle that is not insured by a motor vehicle liability policy that
2 complies with AS 28.22.010.

3 Sec. 4. AS 28.10.111 is amended by adding a new subsection to read:

4 (c) Unless the owner of the vehicle qualifies as a self-insurer
5 under AS 28.20.400, the department may not renew the registration of a
6 vehicle without receiving evidence satisfactory to the department that
7 the vehicle is insured by a motor vehicle liability policy that com-
8 plies with AS 28.22.010.