



Introduced: 1/18/85  
Referred: State Affairs, Health,  
Education & Social Services and  
Finance

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

1 IN THE HOUSE

2 HOUSE BILL NO. 81

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to motor vehicle emission inspec-  
7 tion; and providing for an effective date."

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

9 \* Section 1. AS 28.10.041(a) is amended to read:

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

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

13 (2) the applicant fails to furnish information required by  
14 the department;

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

17 (4) the vehicle is determined to be mechanically unsafe to  
18 be driven or moved on a highway, vehicular way or area, or other  
19 public property in this state;

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

24 (6) the registration of the vehicle has been suspended or  
25 revoked for any reason under the laws of this state;

26 (7) the required fees, taxes, motor freight carrier fees or  
27 bus transportation fees have not been paid;

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

1                   (9) the vehicle is subject to an emission inspection pro-  
2                   gram under AS 46.03.190 or a state-approved local emission inspection  
3                   program under AS 46.03.210, and the vehicle does not meet the stan-  
4                   dards of that program.

5 \* Sec. 2. AS 28.10 is amended by adding a new section to read:

6                   Sec. 28.10.423. EMISSION CONTROL INSPECTION PROGRAM FEES. In  
7                   addition to the annual registration fee specified in AS 28.10.421, a  
8                   \$1 fee is imposed upon every vehicle required to be inspected under an  
9                   emission control program established under AS 46.03.190 or AS 46.-  
10                  03.210. This fee must be collected at the same time and in the same  
11                  manner as the registration fee.

12 \* Sec. 3. This Act takes effect July 1, 1985.

STATE OF ALASKA 1985 LEGISLATIVE SESSION  
FISCAL NOTE

118  
HB 81

Revision Date: \_\_\_\_\_

REQUEST

Bill/Resolution No.: \_\_\_\_\_  
Title: An Act relating to an  
emission control program  
Sponsor: \_\_\_\_\_  
Requestor: \_\_\_\_\_  
Date of Request: \_\_\_\_\_

FISCAL DETAIL

Agency Affected: Public Safety  
Program Category Affected: \_\_\_\_\_  
Life and Property Protection  
BRU, Program or Subprogram(s) Affected: \_\_\_\_\_  
Division of Motor Vehicles

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
<b>OPERATING</b>						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
<b>TOTAL OPERATING</b>						
<b>CAPITAL</b>						
<b>REVENUE</b>		200.0	216.0	233.3	252.0	272.2

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary Covers Revenue Only

The emission control inspection program will begin on July 1, 1985, in both Anchorage and Fairbanks. The division of motor vehicles has been tasked with enforcement of the program. The Department of Law has decided the current statutes do give us the authority to enforce the program if we adopt regulations, but the regulatory process does not allow the division to recover any funds expended in the enforcement of the program. This proposed statute would

(cont<sup>1</sup>) Prepared By: Charles R. Hosack *CRH/MBB* Phone: 269-5561  
Division: Motor Vehicles Date: 1-15-85

Approved by Commissioner: *[Signature]* Date: 1-16-85  
Agency: Public Safety

Distribution (by Agency preparing fiscal note):

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

7/1/84

118  
81

## EMISSION CONTROL PROGRAM

### ANALYSIS (continued)

allow the division to collect a prescribed fee in addition to the registration fee for those vehicles required to be inspected. These fees would be used to reimburse the General Fund for the expenditures incurred to enforce this program.

This type of approach places the cost of the program only on those affected by the program, and is similar in the approach used by the local governments to recover their costs. The goal at both the state and local levels is to make the program self-supporting from user fees. Between Anchorage and Fairbanks, approximately 180,000 to 200,000 vehicles will be inspected the first year. Together with the \$80,000 start-up grant, the \$1.00 fee imposed on these vehicles will allow the State to recover its costs.

STATE OF ALASKA 1985 LEGISLATIVE SESSION  
FISCAL NOTE

Revised 4/17/85  
100 38

Revision Date: \_\_\_\_\_

REQUEST

Bill/Resolution No.: SCSHB-81(SA)  
 Title: "An Act relating to motor vehicle emission inspection"  
 Sponsor: Governor  
 Requestor: Senate Finance  
 Date of Request: 4-17-85

FISCAL DETAIL

Agency Affected: Public Safety  
 Program Category Affected: Life and Property Protection  
 BRU, Program or Subprogram(s) Affected: Division of Motor Vehicles

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
<b>OPERATING</b>						
100 PERSONAL SERVICES		28.5	29.9			
200 TRAVEL						
300 CONTRACTUAL		4.5	4.6			
400 SUPPLIES						
500 EQUIPMENT		15.5				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
<b>TOTAL OPERATING</b>		48.5	34.5	-0-	-0-	-0-
<b>CAPITAL</b>						
<b>REVENUE</b>		200.0	216.0	233.3	252.0	272.2

FUNDING: (Thousands of Dollars)

GENERAL FUND		48.5	34.5			
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>						

POSITIONS:

FULL-TIME						
PART-TIME		2.0	2.0			
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

SEE ATTACHED PAGE

Prepared By: Charles R. Hosack Phone: 269-5551  
 Division: Motor Vehicles Date: 4-16-85  
 Approved by Commissioner: [Signature] Date: 4/19/85  
 Agency: Public Safety

Distribution (by Agency preparing fiscal note):  
 Legislative Finance  
 Legislative Sponsor  
 Requestor  
 Office of Management and Budget  
 Impacted Agency(ies)

7/1/84

Revenue:

The Emission Control Inspection Program will begin on July 1, 1985, in both Anchorage and Fairbanks. The Division of Motor Vehicles has been tasked with enforcement of the program. The Department of Law has decided the current statutes do give us the authority to enforce the program if we adopt regulations, but the regulatory process does not allow the division to recover any funds expended in the enforcement of the program and are more subject to challenge. This proposed statute would allow the division to collect a prescribed fee in addition to the registration fee for those vehicles required to be inspected. These fees would be used to reimburse the General Fund for the expenditures incurred to enforce this program.

This type of approach places the cost of the program only on those affected by the program and is similar in the approach used by the local governments to recover their costs. The goal at both the state and local levels is to make the program self-supporting from user fees. Between Anchorage and Fairbanks, approximately 180,000 to 200,000 vehicles will be inspected the first year. Together with the \$80,000 start-up grant, the \$1.00 fee imposed on these vehicles will allow the state to recover its costs.

Expenditures:

The FY-86 Operating Budget Request includes an increment for \$150.5 GF (5 PFT positions) for Inspection-Maintenance Program Enforcement. This fiscal note includes costs for the committee substitute that were not included in the increment.

It is estimated that there are approximately 12,000-15,000 vehicles that use diesel or an alternate fuel and will require the exemption. These are customers that would not normally have to come to a motor vehicle office. Impact of this increase has not been included in previous fiscal estimates. The impact will be the greatest during the summer months when the offices are already crowded. To absorb this impact two seasonal positions will be needed and these positions will be used for two years until the majority of the records are updated.

Costs:

100	2 Seasonal MVR Is (Range 8 - Anchorage and Fairbanks)	28.5
300	Forms	.5
	DP Charges (2 terminals)	4.0
500	2 terminals, printers	14.0
	Office Furniture	<u>1.5</u>
		48.5

1.	POSITION TITLE Motor Vehicle Rep. I			RANGE/STEP 8A	BARG. UNIT GGU	PAGE/LINE	GOV.	APPROV.	DISAPP.
2.	TYPE OF POSITION Seasonal	STAFF MONTHS 6	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION Fairbanks	ELECTION DISTRICT	LEG.	
3.	CONTINUATION LEVEL			ADDITION	JUSTIFICATION				
4.	TYPE OF EXPENDITURE			AMOUNT					
	1	2	3						
	PERSONAL SERVICES								
5.	Salary	11,010							
6.	Benefits	1,988							
7.	Supplemental Benefits	675							
8.	Fixed Benefits	1,366							
9.	TOTAL PERSONAL SERVICES	01	15,039						
10.	Travel	02							
11.	Contractual	03							
12.	Commodities	04							
13.	Equipment	05							
14.	Other								
15.	TOTAL COST		15,039						
	RECEIPT CODE	FUNDING SOURCE							
16.		Federal Receipts	1002						
17.		G.F. Match	1003						
18.		General Funds	1004	15,039					
19.		I-A Receipts	1005						
20.		Program Receipts	1028						
21.		Other							
FOR B&M USE ONLY KEY NUMBER _____									

Work at counter to issue vehicle titles and registrations. To assist in absorbing impace created by DMV being required to determine type of fuel a vehicle is powered by to decide which ones are exempt from vehicle emission control inspection program in Fairbanks..

**REQUEST FOR  
NEW POSITION**

AGENCY Public Safety  
PROGRAM Life and Property Protection  
BRU Division of Motor Vehicles  
COMPONENT Field Services

Page \_\_\_\_\_ of \_\_\_\_\_  
Revised Date \_\_\_\_\_

**FY 86**

1.	POSITION TITLE <b>Motor Vehicle Rep. I</b>				RANGE/STEP 8A	BARG. UNIT GGU	PAGE/LINE	GOV.	APPROV.	DISAPP.
2.	TYPE OF POSITION Seasonal	STAFF MONTHS 6	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION Anchorage	ELECTION DISTRICT	LEG.		
3.	CONTINUATION LEVEL				JUSTIFICATION					
4.	TYPE OF EXPENDITURE			AMOUNT	<p>Work at counter to issue vehicle titles and registrations. To assist in absorbing impact created by DMV being required to determine type of fuel a vehicle is powered by to decide which ones are exempt from vehicle emission control inspection program in Anchorage.</p>					
	1	2	3							
	PERSONAL SERVICES									
5.	Salary	9,786								
6.	Benefits	1,767								
7.	Supplemental Benefits	600								
8.	Fixed Benefits	1,366								
9.	TOTAL PERSONAL SERVICES	01	13,519							
10.	Travel	02								
11.	Contractual	03								
12.	Commodities	04								
13.	Equipment	05								
14.	Other									
15.	TOTAL COST		13,519							
	RECEIPT CODE	FUNDING SOURCE								
16.		Federal Receipts 1002								
17.		G.F. Match 1003								
18.		General Funds 1004		13,519						
19.		I-A Receipts 1005								
20.		Program Receipts 1028								
21.		Other								
FOR B&M USE ONLY										
KEY NUMBER _____										

**REQUEST FOR  
NEW POSITION**

AGENCY Public Safety  
PROGRAM Life and Property Protection  
BRU Division of Motor Vehicles  
COMPONENT Field Services

Page \_\_\_\_\_ of \_\_\_\_\_  
Revised Date \_\_\_\_\_

**FY 86**

STATE OF ALASKA 1985 LEGISLATIVE SESSION  
FISCAL NOTE

R/O 3-8-85  
REC'D 4-2-85

Revision Date: 3/21/85

REQUEST

Bill/Resolution No.: HB 81  
 Title: An Act relating to an emission control program  
 Sponsor: Rules/Governor  
 Requestor: Senate State Affairs  
 Date of Request: 3-21-85

FISCAL DETAIL

Agency Affected: Public Safety  
 Program Category Affected: Life and Property Protection  
 BRU, Program or Subprogram(s) Affected: Division of Motor Vehicles

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
<b>OPERATING</b>						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
<b>TOTAL OPERATING</b>						
<b>CAPITAL</b>						
<b>REVENUE</b>		200.0	216.0	233.3	252.0	272.2

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary COVERS REVENUE ONLY

The emission control inspection program will begin on July 1, 1985, in both Anchorage and Fairbanks. The division of motor vehicles has been tasked with enforcement of the program. The Department of Law has decided the current statutes do give us the authority to enforce the program if we adopt regulations, but the regulatory process does not allow the division to recover any funds expended in the enforcement of the program, and are more subject to

Prepared By: Charles R. Hosack Phone: 269-5551  
 Division: Motor Vehicles Date: 10-15-84

Approved by Commissioner: [Signature] Date: 3/27/85  
 Agency: Public Safety

Distribution (by Agency preparing fiscal note):

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

7/1/84

HB 81            Emission Control Program

ANALYSIS (continued)

challenge. This proposed statute would allow the division to collect a prescribed fee in addition to the registration fee for those vehicles required to be inspected. These fees would be used to reimburse the General Fund for the expenditures incurred to enforce this program.

This type of approach places the cost of the program only on those affected by the program, and is similar in the approach used by the local governments to recover their costs. The goal at both the state and local levels is to make the program self-supporting from user fees. Between Anchorage and Fairbanks, approximately 180,000 to 200,000 vehicles will be inspected the first year. Together with the \$80,000 start-up grant, the \$1.00 fee imposed on these vehicles will allow the State to recover its costs.

NOTE: The FY 86 Operating Budget Request includes an increment for \$150.5 GF (5 PFT positions) for Inspection-Maintenance Program Enforcement.

<b>TITLE OF INCREMENT/DECREMENT:</b> <b>Inspection/Maintenance Program Enforcement</b>	<b>AGENCY CONTACT/PHONE NUMBER:</b> <b>John Lucking 269-5551</b>	<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:5%;">CODE</th> <th style="width:65%;">EXPENDITURE BY OBJECT</th> <th style="width:10%;">AGENCY REQ.</th> <th style="width:20%;">GOV'S REQ.</th> </tr> </thead> <tbody> <tr><td>100</td><td>Personal Services</td><td>141.7</td><td></td></tr> <tr><td>200</td><td>Travel</td><td></td><td></td></tr> <tr><td>300</td><td>Contractual Services</td><td>8.8</td><td></td></tr> <tr><td>400</td><td>Supplies</td><td></td><td></td></tr> <tr><td>500</td><td>Equipment</td><td></td><td></td></tr> <tr><td>600</td><td>Lands, Buildings, Etc.</td><td></td><td></td></tr> <tr><td>700</td><td>Grants, Claims, Etc.</td><td></td><td></td></tr> <tr><td>800</td><td>Miscellaneous</td><td></td><td></td></tr> <tr><td colspan="2" style="text-align: center;">TOTAL</td><td>150.5</td><td></td></tr> <tr><td colspan="4" style="text-align: center;">I-A Transfer (NON-ADD)</td></tr> <tr><td>1002</td><td>Federal Receipts</td><td></td><td></td></tr> <tr><td>1003</td><td>General Fund Match</td><td></td><td></td></tr> <tr><td>1004</td><td>General Fund</td><td>150.5</td><td></td></tr> <tr><td>1005</td><td>I-A Receipts</td><td></td><td></td></tr> <tr><td>1028</td><td>Program Receipts</td><td></td><td></td></tr> <tr><td></td><td>Other</td><td></td><td></td></tr> <tr><td colspan="2" rowspan="4" style="vertical-align: middle;">POSITION INFORMATION</td><td>PFT</td><td>5.0</td></tr> <tr><td>PPT</td><td></td></tr> <tr><td>Non Permanent</td><td></td></tr> <tr><td>Staff Months</td><td>60.0</td></tr> </tbody> </table>	CODE	EXPENDITURE BY OBJECT	AGENCY REQ.	GOV'S REQ.	100	Personal Services	141.7		200	Travel			300	Contractual Services	8.8		400	Supplies			500	Equipment			600	Lands, Buildings, Etc.			700	Grants, Claims, Etc.			800	Miscellaneous			TOTAL		150.5		I-A Transfer (NON-ADD)				1002	Federal Receipts			1003	General Fund Match			1004	General Fund	150.5		1005	I-A Receipts			1028	Program Receipts				Other			POSITION INFORMATION		PFT	5.0	PPT		Non Permanent		Staff Months	60.0
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<b>DESCRIBE WHY THIS INCREMENT/DECREMENT IS NEEDED AND WHAT IT PURCHASES:</b> <p>The Federal Environmental Protection Agency has required Anchorage and Fairbanks to establish an annual vehicle emission control inspection program that will be enforced through the vehicle registration program. Before any vehicle owner can register a vehicle each year, they must provide proof that they have complied with the requirements of the inspection program. Failure to meet federal standards for emission control would result in loss of federal highway funds.</p> <p>Experiences of other states that have implemented similar programs show that approximately 40% of the people who use the mail program will not have the inspection certificate and these will have to be returned. The registration transactions at the counter will require one minute per customer to explain the program. This type of load will decrease existing service unless additional positions are authorized.</p> <p>The program will impact the division's workload in two areas -- the mail renewal program and the motor vehicle counter. Experiences of other states with similar programs indicate that approximately 40% of the people who use the mail program will not have the inspection certificate and will have to be returned. The volume on this type of work would be 65,000 pieces annually. Two positions will be assigned to the mail-out section to absorb this load.</p> <p>At the counter the other states estimate it takes an average of one minutes per customer to explain the requirements of the new law. Since the normal motor vehicle counter transaction takes five minutes, this will decrease our processing ability by 20%. To offset this decrease, the number of motor vehicle counter positions will be increased by one position in Fairbanks and two positions in Anchorage. This will equate to an increase of 20% for counter personnel in both locations.</p>		<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:60%; vertical-align: top;"> <input type="checkbox"/> Enhance Existing Service Compared to FY 85  <input checked="" type="checkbox"/> New Service Compared to FY 85  <input type="checkbox"/> Continuation of FY 85 Service Level </td> <td style="width:40%; vertical-align: top;"> <input type="checkbox"/> Formula Program </td> </tr> </table> <p>IMPACT FROM CAPITAL PROJECT (NAME)  _____</p> <p>Chapter _____ SLA _____ Page/Line _____</p>	<input type="checkbox"/> Enhance Existing Service Compared to FY 85 <input checked="" type="checkbox"/> New Service Compared to FY 85 <input type="checkbox"/> Continuation of FY 85 Service Level	<input type="checkbox"/> Formula Program																																																																												
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<div style="border: 1px solid black; padding: 5px;"> <b>C5 INCREMENT/DECREMENT REQUEST</b>  Agency Priority <u>5</u> of <u>37</u> </div>	AGENCY <u>Department of Public Safety</u> PROGRAM <u>Life and Property Protection</u> BRU <u>Division of Motor Vehicles</u> COMPONENT <u>Field Services</u> PROJECT _____
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1 / PAGE 1 OF 2  
REVISD DATE 11/20/84

FY 86

000356

Title of Increment/Decrement: Inspection/Maintenance Program Enforcement  
Agency Contact: John Lucking, 269-5551

This increment will cover the additional costs associated with this program and are as follows:

100	2 MVR I (Anchorage Mail Section)	55.4
	2 MVR I (Anchorage Counter)	55.4
	1 MVR i (Fairbanks Counter)	30.9
		<u>141.7</u>
300	Mail Return Costs	8.8
	TOTAL	150.5

Legislation is being introduced in 1985 to allow the Division to collect \$1.00 per vehicle in these two areas to reimburse the General Fund for these expenditures.

AGENCY Department of Public Safety

PROGRAM Life and Property Protection

BRU Division of Motor Vehicles

COMPONENT Field Services

FY 86

C5

ADDITIONAL  
EXPLANATION  
FORM

PAGE 2 OF 2

REVISED DATE

000357

BILL SHEFFIELD  
GOVERNOR



STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

January 18, 1985

The Honorable Ben Grussendorf  
Speaker of the House  
Alaska State Legislature  
Pouch V  
Juneau, AK 99811

Dear Representative Grussendorf:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill that gives the Department of Public Safety explicit authority to refuse to register a motor vehicle if the vehicle does not meet the standards of a state-operated emission control program or a state-approved local emission inspection program. The bill would also impose a \$1 administrative fee, in addition to the annual registration fee, to compensate the state for the cost of this enforcement program.

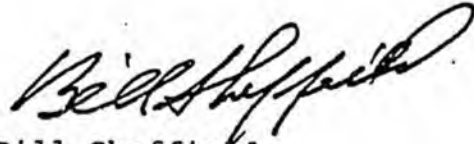
To implement the state's Air Quality Control Plan, the Municipality of Anchorage and the Fairbanks North Star Borough have recently adopted local vehicle inspection and maintenance (I/M) programs. The most effective way to ensure compliance with local inspection programs is through the state motor vehicle registration process. Before a person can obtain or renew a vehicle registration, the person must show evidence of compliance with the I/M program. This method has been chosen in preference to a "sticker" enforcement program, in which the owners or operators of all cars inspected and found to be in compliance would be required to display a sticker on their cars. National statistics have shown that the sticker enforcement method is 30 percent less effective than the registration method.

The \$1 fee is imposed to compensate the state for the costs of the additional administrative burden placed upon the Department of Public Safety. Proceeds from the fee will be placed in the state's general fund.

The quality and cleanliness of the air in Alaska's two largest cities are obviously of utmost importance to the health and well-being of the residents. Strict enforcement of motor vehicle emission standards is a crucial part of our

overall efforts to control air pollution. Since this bill will allow more effective enforcement of these standards, I urge prompt passage of the bill.

Sincerely,

A handwritten signature in cursive script, appearing to read "Bill Sheffield".

Bill Sheffield  
Governor

DEPARTMENT OF PUBLIC SAFETY

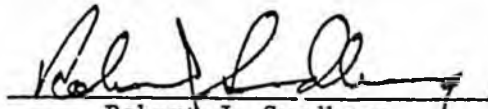
POSITION PAPER - HB 81

Support

January 29, 1985

HB 81, An Act relating to motor vehicle emission inspection;  
and providing for an effective date.

This bill provides specific statutory authority to enforce .  
emission inspection programs throughout the State. Emission  
control inspection programs are scheduled to begin on July 1,  
1985, in both Anchorage and Fairbanks.

  
Robert J. Sundberg  
Commissioner

*Louann*



OFFICIAL BUSINESS

**Alaska State Legislature**  
**House of Representatives**  
COMMITTEE ON HEALTH, EDUCATION  
AND SOCIAL SERVICES

POUCHV  
JUNEAU, AK 99811  
465-3759

TO: Members of the House HESS Committee  
FROM: Deborah Niedermeyer, Committee Aide  
DATE: 20 February, 1985  
RE: HB 81, Motor Vehicle Emissions

History

The cities of Anchorage and Fairbanks must institute motor vehicle inspection and maintenance programs by July 1, 1985 or face federal sanctions from the Environmental Protection Agency. The sanctions could include loss of all federal money to the two cities, but EPA's first threat has been to cut off all federal highway money. This would amount to a loss of \$50 million each year.

Last summer, the two cities passed ordinances requiring motor vehicle inspection and maintenance programs. Vehicle owners will have their cars inspected, and repaired if necessary, at local garages. The Department of Motor Vehicles will enforce the ordinances by refusing to register vehicles which have not passed inspection.

The Fairbanks North Star Borough was able to arrange for a special "seasonal registration" for those whose vehicles do not pass inspection but who do not plan to drive during the winter months. These cars will be given a brightly colored six-month registration sticker.

HB 81

The Attorney General has found that the Department of Motor Vehicles already has the authority to refuse to register a car which has not passed inspection. HB 81 would make that authority specific. The bill also allows DMV to charge \$1.00 for registrations which require checking on the inspection. That is, registrations showing Anchorage and Fairbanks zip codes.

Fiscal Note

The fiscal note provided by the Department of Public Safety was written on October 15 of last year, in response to an early draft of HB 81. That early draft created an unconstitutional dedicated fund which is reflected on page two of Public Safety's analysis. The bill

as it was introduced has no constitutional problem. Fees from the registration program go directly into the General Fund.

Fines for unregistered vehicles are \$10. An owner is generally cited and fined four times before other action is taken. Because people may be reluctant to have the inspection and may therefore decide not to register their vehicles, it is possible that the vehicle emissions program will actually make money for the state.

Rec'd 5/10

STATE OF ALASKA 1985 LEGISLATIVE SESSION  
FISCAL NOTE

Revision Date: \_\_\_\_\_

REQUEST

Bill/Resolution No.: SCSHB-81(FIN)  
Title: "An Act relating to motor  
vehicle emission inspection"  
Sponsor: Rules/Governor  
Requestor: Senate Rules  
Date of Request: \_\_\_\_\_

FISCAL DETAIL

Agency Affected: Public Safety  
Program Category Affected: Life and Property Protection  
BRU, Program or Subprogram(s) Affected: Division of Motor Vehicles

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
<b>OPERATING</b>						
100 PERSONAL SERVICES						
200 TRAVEL		28.5	29.9			
300 CONTRACTUAL						
400 SUPPLIES		4.5	4.6			
500 EQUIPMENT						
500 LAND & STRUCTURES		15.5				
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
<b>TOTAL OPERAT</b>		48.5	34.5	-0-	-0-	-0-
<b>CAPITAL</b>						
<b>REVENUE</b>		200.0	216.0	233.3	252.0	272.2

FUNDING: (Thousands of Dollars)

GENERAL FUND		48.5	34.5			
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>						

POSITIONS:

FULL-TIME						
PART-TIME		2.0	2.0			
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

SEE ATTACHED PAGE

Prepared By: Charles R. Hosack Phone: 269-5551  
Division: Motor Vehicles Date: 5-9-85  
Approved by Commissioner: Robert J. Sundberg Date: 5/9/85  
Agency: Public Safety

Distribution (by Agency preparing fiscal note):  
Legislative Finance  
Legislative Sponsor  
Requestor  
Office of Management and Budget  
Impacted Agency(ies)

7/1/84

Revenue:

The Emission Control Inspection Program will begin on July 1, 1985, in both Anchorage and Fairbanks. The Division of Motor Vehicles has been tasked with enforcement of the program. The Department of Law has decided the current statutes do give us the authority to enforce the program if we adopt regulations, but the regulatory process does not allow the division to recover any funds expended in the enforcement of the program and are more subject to challenge. This proposed statute would allow the division to collect a prescribed fee in addition to the registration fee for those vehicles required to be inspected. These fees would be used to reimburse the General Fund for the expenditures incurred to enforce this program.

This type of approach places the cost of the program only on those affected by the program and is similar in the approach used by the local governments to recover their costs. The goal at both the state and local levels is to make the program self-supporting from user fees. Between Anchorage and Fairbanks, approximately 180,000 to 200,000 vehicles will be inspected the first year. Together with the \$80,000 start-up grant, the \$1.00 fee imposed on these vehicles will allow the state to recover its costs.

Expenditures:

The FY-86 Operating Budget Request includes an increment for \$150.5 GF (5 PFT positions) for Inspection-Maintenance Program Enforcement. This fiscal note includes costs for the committee substitute that were not included in the increment.

It is estimated that there are approximately 12,000-15,000 vehicles that use diesel or an alternate fuel and will require the exemption. These are customers that would not normally have to come to a motor vehicle office. Impact of this increase has not been included in previous fiscal estimates. The impact will be the greatest during the summer months when the offices are already crowded. To absorb this impact two seasonal positions will be needed and these positions will be used for two years until the majority of the records are updated.

Costs:

100	2 Seasonal MVR Is (Range 8 - Anchorage and Fairbanks)	28.5
300	Forms DP Charges (2 terminals)	.5 4.0
500	2 terminals, printers Office Furniture	14.0 <u>1.5</u>
		48.5

1.	POSITION TITLE Motor Vehicle Rep. I			RANGE/STEP 8A	BARC. UNIT GGU	PAGE/LINE.	GOV.	APPROV.	DISAPP.
2.	TYPE OF POSITION Seasonal	STAFF MONTHS 6	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION Fairbanks	ELECTION DISTRICT	LEG.	
3.	CONTINUATION LEVEL			ADDITION	JUSTIFICATION				
4.	TYPE OF EXPENDITURE			AMOUNT					
	1	2	3						
	PERSONAL SERVICES								
5.	Salary	11,010							
6.	Benefits	1,988							
7.	Supplemental Benefits	675							
8.	Fixed Benefits	1,366							
9.	TOTAL PERSONAL SERVICES	01	15,039						
10.	Travel	02							
11.	Contractual	03							
12.	Commodities	04							
13.	Equipment	05							
14.	Other								
15.	TOTAL COST		15,039						
	RECEIPT CODE	FUNDING SOURCE							
16.		Federal Receipts	1002						
17.		G.F. Match	1003						
18.		General Funds	1004	15,039					
19.		I-A Receipts	1005						
20.		Program Receipts	1028						
21.		Other							
FOR B&M USE ONLY KEY NUMBER _____									

Work at counter to issue vehicle titles and registrations. To assist in absorbing impact created by DMV being required to determine type of fuel a vehicle is powered by to decide which ones are exempt from vehicle emission control inspection program in Fairbanks..

**REQUEST FOR  
NEW POSITION**

AGENCY Public Safety  
PROGRAM Life and Property Protection  
BRU Division of Motor Vehicles  
COMPONENT Field Services

Page \_\_\_\_\_ of \_\_\_\_\_  
Revised Date \_\_\_\_\_

**FY 86**

1.	POSITION TITLE Motor Vehicle Rep. I				RANGE/STEP 8A	BARG. UNIT GGU	PAGE/LINE	GOV.	APPROV.	DISAPP.
2.	TYPE OF POSITION Seasonal	STAFF MONTHS 6	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION Anchorage	ELECTION DISTRICT	LEG.		
3.	CONTINUATION LEVEL				JUSTIFICATION					
4.	TYPE OF EXPENDITURE									
	1		2		3					
	PERSONAL SERVICES									
5.	Salary		9,786							
6.	Benefits		1,767							
7.	Supplemental Benefits		600							
8.	Fixed Benefits		1,366							
9.	TOTAL PERSONAL SERVICES		01	13,519						
10.	Travel		02							
11.	Contractual		03							
12.	Commodities		04							
13.	Equipment		05							
14.	Other									
15.	TOTAL COST			13,519						
JUSTIFICATION										
Work at counter to issue vehicle titles and registrations. To assist in absorbing impact created by DMV being required to determine type of fuel a vehicle is powered by to decide which ones are exempt from vehicle emission control inspection program in Anchorage.										
	RECEIPT CODE	FUNDING SOURCE								
16.		Federal Receipts 1002								
17.		G.F. Match 1003								
18.		General Funds 1004			13,519					
19.		I-A Receipts 1005								
20.		Program Receipts 1028								
21.		Other								
FOR B&N USE ONLY										
KEY NUMBER _____										

**REQUEST FOR  
NEW POSITION**

AGENCY Public Safety  
PROGRAM Life and Property Protection  
BRU Division of Motor Vehicles  
COMPONENT Field Services

Page \_\_\_\_\_ of \_\_\_\_\_  
Revised Date \_\_\_\_\_

**FY 86**

# MEMORANDUM

State of Alaska

DEPARTMENT OF ENVIRONMENTAL CONSERVATION

FILE COPY

TO: The Honorable Robert Sundberg  
Commissioner  
Department of Public Safety #

DATE: April 30, 1984

Air & Solid Waste Mgmt.

F 14 C 4

TELEPHONE NO: 465-2600

FROM: Richard A. Neve' *R. Neve'*  
Commissioner

SUBJECT: Inspection and Maintenance  
Program

During the last year, the Department of Environmental Conservation has been working closely with the Municipality of Anchorage, Fairbanks North Star Borough, and the Division of Motor Vehicles (DMV) on the development of vehicle inspection and maintenance (I/M) programs. Both Anchorage and Fairbanks need such programs because vehicle exhaust emissions have caused ambient carbon monoxide concentrations to substantially exceed the levels necessary to prevent increased heart attack risk and other health problems. Studies indicate that through the identification and correction of improperly maintained vehicles, an I/M program can reduce carbon monoxide levels by as much as 25%.

In addition to the health protection issue, failure to implement an I/M program will result in the loss of approximately 50 million dollars each year in federal funding, most of which is related to highway projects in Anchorage. Acting under the federal Clean Air Act, the U.S. Environmental Protection Agency (EPA) has notified the state that this federal funding will be cut off unless I/M programs recently approved by the assemblies of Anchorage and Fairbanks are implemented next year.

An effective enforcement mechanism is a necessary element of an I/M program. Based on the experience of many other states, proof of compliance with an I/M requirement as a prerequisite to vehicle registration renewal is the only enforcement mechanism which is effective. The legal authority for DMV to require proof of I/M program compliance prior to registration renewal has been investigated and agreed to by Assistant Attorneys General representing our departments.

Several options for how the DMV registration renewal process could be changed to incorporate I/M have been investigated by our staffs during the last year. However, most of the options considered were only practical under an I/M program concept wherein inspections would be performed at a few large, contractor operated testing facilities. Such facilities would have had the ability to assist DMV in the registration renewal process.

For maximum public convenience, both Anchorage and Fairbanks have chosen to implement "private garage" I/M programs wherein automotive dealerships and repair facilities are trained and licensed to perform inspections and necessary repairs. Under such programs, the driving distance to inspection facilities is minimized and inspections and repairs can be performed at the same facility. Under the I/M program designs selected, only one of the options previously discussed with DMV is viable. Our staffs have been referring to this option as "Option A."

April 30, 1984

DMV Director, James Vaden, has been extremely cooperative and helpful in the evaluation of all the registration process changes we have considered. However, he has told my staff that he cannot support any changes to the registration process that may increase the DMV workload and be a detriment to DMV's ability to better serve the public. One of Colonel Vaden's concerns is that many motorists will fail to read the notice indicating the need for an inspection certificate. Consequently, this will result in more return trips to DMV, fewer mail-in registrations, longer lines, and greater manpower requirements. As a result there could be still more counter traffic at DMV offices.

DMV has estimated that in order to deal with the increase in work load associated with Option A, a total of six new employees would be required, and new equipment and mailing related costs would also be incurred. Total costs during the first year of the program have been estimated at \$224,300. We think the recurring costs would be much less. Since the major cost factor is associated with the assumed failure of vehicle owners to understand the I/M program requirements, a reduced impact on DMV would be expected after the first year of the program. This would be especially true if an effective city program were established to inform motorists about the I/M program details.

If we understand Colonel Vaden's position correctly, he feels that a decision to implement registration process changes by DMV must be made by you. Colonel Vaden feels that his principal responsibility is to streamline and expedite the activities of DMV. Even if he obtains additional funding, it is his opinion the addition of I/M certificate processing will be to the detriment of accomplishing his principal responsibility.

We have no quarrel with Colonel Vaden's position and understand why he has taken it. However, from a broader perspective, it is critical that the administration not be held responsible for the loss of the substantial federal funding that is tied to the EPA requirements for I/M programs in Anchorage and Fairbanks. In my view, it is absolutely necessary for DMV to implement the registration changes discussed above.

Both Anchorage and Fairbanks want the State to quickly agree to provide the necessary support for DMV's role in the I/M program. Please let me know your views on this issue at your earliest convenience.

RAN/TC/af

cc: Charles Hosack, Division of Motor Vehicles  
James Vaden, Division of Motor Vehicles  
Lennie Boston, Office of the Governor



**Fairbanks  
North  
Star  
Borough**

Mayor: B.B. Allen

MEMORANDUM

TO: R.B. Allen, Borough Mayor

FROM: Heather Stockard, Environmental Services Director **HTS**

SUBJ: HOUSE BILL NO. 81

DATE: January 30, 1985

House Bill No. 81 gives the Department of Public Safety explicit authority to refuse to register a motor vehicle if the vehicle does not meet the requirements of a state-approved local emission inspection program. This bill would also impose a one dollar administration fee, in addition to the annual registration fee, for those vehicles subject to the I/M program. This fee was included as part of the agreement between the municipalities and DMV as the easiest way to compensate the State for the cost of enforcing the I/M program. I feel that the Fairbanks North Star Borough should strongly support the passage of HB 81. The important points to make are:

- CLEAN AIR IS AN IMPORTANT ASPECT OF THE QUALITY OF LIFE IN THE FAIRBANKS NORTH STAR BOROUGH;
- STRICT ENFORCEMENT OF MOTOR VEHICLE EMISSION STANDARDS IS A CRUCIAL PART OF OUR OVERALL EFFORTS TO CONTROL AIR POLLUTION;
- THE MOST EFFECTIVE WAY TO ENSURE COMPLIANCE WITH LOCAL INSPECTION PROGRAMS IS THROUGH THE STATE MOTOR VEHICLE REGISTRATION PROCESS. PROOF OF ADEQUATE ENFORCEMENT IS NECESSARY FOR THE INSPECTION PROGRAMS TO BE APPROVED BY THE ENVIRONMENTAL PROTECTION AGENCY;
- THE PROVISIONS OF THIS BILL ARE THE RESULT OF AN AGREEMENT BETWEEN THE FAIRBANKS NORTH STAR BOROUGH, THE MUNICIPALITY OF ANCHORAGE, AND THE DEPARTMENTS OF PUBLIC SAFETY AND ENVIRONMENTAL CONSERVATION;
- THE FAIRBANKS NORTH STAR BOROUGH AND THE MUNICIPALITY OF ANCHORAGE ARE BEARING THE LARGEST SHARE OF THE BURDEN OF ADMINISTERING THE VEHICLE I/M PROGRAMS REQUIRED AS PART OF THE STATE'S AIR QUALITY CONTROL PLAN;
- THE FAIRBANKS NORTH STAR BOROUGH STRONGLY SUPPORTS THE PROMPT PASSAGE OF HOUSE BILL 81 IN ORDER TO PROVIDE ADEQUATE ENFORCEMENT OF THE LOCAL EMISSION INSPECTION PROGRAMS SCHEDULED TO BE IMPLEMENTED JULY 1, 1985.

HTS/MNB

(2) affect the relations between employers and employees with respect to or arising out of a condition of air contamination or air pollution; or

(3) supersede or limit the applicability of a law or ordinance relating to sanitation, industrial health or safety. (§ 3 ch 120 SLA 1971)

Editor's notes. — AS 46.03.240, was repealed by § 19, ch. 220, SLA 1976. referred to in the introductory language.

**Sec. 46.03.210. Local air pollution control programs.** (a) A municipality with a population in excess of 1,000 may, within five years from August 5, 1969, establish and administer within its jurisdiction an air pollution control program. Organized boroughs may establish an air pollution control program on an areawide basis, and the exercise of powers with respect to the program is not subject to the restrictions on acquiring additional areawide powers specified in AS 29.33.250 — 29.33.290. Local programs shall

(1) provide by ordinance for requirements compatible with those imposed by the provisions of AS 46.03.140 and 46.03.170 and applicable regulations;

(2) provide for the enforcement of the requirements imposed through appropriate administrative and judicial processes;

(3) provide for a local administrative organization, staff, and other resources necessary to effectively carry out the purposes of the program; and

(4) be approved by the department as being satisfactory to meet the requirements of AS 46.03.140 — 46.03.170 and the applicable regulations.

(b) Municipalities other than those with a population in excess of 1,000 may establish and administer local air pollution programs if the proposed programs meet the requirements of (a)(1) — (4) of this section.

(c) A municipality may administer all or a part of its air pollution control program in cooperation with one or more municipalities.

(d) If the department finds that the location, character, or extent of particular concentrations of population, air contaminant sources, the geographic, topographic or meteorological considerations or a combination of these factors make impracticable the maintenance of appropriate levels of air quality without an areawide air pollution control program, the department may determine the boundaries within which a program is necessary and direct that a program spanning those boundaries is the only acceptable alternative to direct state administration. (§ 3 ch 120 SLA 1971; am § 48 ch 71 SLA 1972; am § 52 ch 53 SLA 1973)

Revisor's notes. — Subsection (a) of 46.03.220 for result of inaction under this subsection is apparently obsolete. See AS subsection.

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(e) A variance or renewal is not a right of the applicant but is in the discretion of the department.

(f) No variance or renewal granted under this section may be construed to prevent or limit the application of the emergency orders of the commissioner issued under AS 46.03.820. (§ 3 ch 120 SLA 1971)

**Sec. 46.03.180. Confidentiality of records.** Records and information, other than emission data, in the possession of the department which relate to production or sales figures or to processes or production techniques of the owner or operator of an air contaminant source are considered confidential records of the department after application by the party and certification that their public disclosure would tend to adversely affect his competitive position. (§ 3 ch 120 SLA 1971; am § 6 ch 220 SLA 1976)

**Sec. 46.03.190. Motor vehicle pollution.** (a) As the state of knowledge and technology relating to the control of emissions from motor vehicles may permit or make appropriate, and in furtherance of the purposes of this chapter, the department may provide by regulation for the control of these emissions. The regulations may prescribe requirements for the installation and use of equipment designed to reduce or eliminate emissions and for the proper maintenance of this equipment.

(b) Except as permitted by law, no person may fail to maintain in operation any equipment or feature constituting an operational element of the air pollution control system or mechanism of a motor vehicle if it is required by regulations of the department to be maintained in or on the vehicle. A failure to maintain this equipment in operation subjects the owner or operator to suspension or cancellation of the registration of the vehicle, and it is not again eligible for registration until this equipment is restored to operation.

(c) The department shall consult with the Department of Public Safety and furnish it with technical information, including testing techniques, standards and instructions for emission control features and equipment.

(d) When the department has issued regulations requiring the maintenance of features or equipment in or on motor vehicles for the purpose of controlling emission from the vehicles, no motor vehicle may be issued a certificate of inspection and approval if required, unless the required features or equipment have been inspected in accordance with the standards, testing techniques and instructions furnished by the department and have been found to meet those standards. (§ 3 ch 120 SLA 1971)

**Sec. 46.03.200. Limitations.** AS 46.03.140 — 46.03.240 do not

(1) grant to the department jurisdiction or authority with respect to air contamination existing solely within commercial and industrial plants, works or shops;