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HOUSE  
COMMITTEE REPORT

STATE AFFAIRS

(7)

Date referred: 1/31/86

FURTHER REFERRALS: JUDICIARY

DATE: 3/3/86

The LABOR & COMMERCE 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 \_\_\_\_\_  same title
- \_\_\_\_\_  new title

and recommends \_\_\_\_\_

further referral to the \_\_\_\_\_ Committee

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

SIGNING DO PASS:

SIGNING OTHER RECOMMENDATIONS:

George H. ... *Assuming revision of fiscal note.*

Don ...

Mike ... (no rec)

Steve Koponen (amend to require sticker)

Mike Davis BILL NEEDS WORK

Lyndell no rec

Mike ...  
Chairman

HOUSE  
COMMITTEE REPORT

(7)

Date referred: 4/9/86

FURTHER REFERRALS: JUDICIARY

DATE: Apr 16, 1986

The LABOR & COMMERCE Committee has considered HJR 73  
Relating to national regulation of the insurance industry.

and recommends:

- do pass
- do not pass
- do pass with attached amendment(s)
- no recommendation
- replace with CS HJR 73  same title
- new title

and recommends \_\_\_\_\_

further referral to the \_\_\_\_\_ Committee

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

SIGNING DO PASS:

\_\_\_\_\_  
*Mike Savano*  
 \_\_\_\_\_  
*Mike Lewis*  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

SIGNING OTHER RECOMMENDATIONS:

\_\_\_\_\_  
*Dr. C. Barber - no rec*  
 \_\_\_\_\_  
*Joseph M. ... no rec*  
 \_\_\_\_\_  
*Russ ... no rec*  
 \_\_\_\_\_  
*George ... - No Rec*  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Mike Savano  
Chairman

**STATE OF ALASKA 1986 LEGISLATIVE SESSION  
FISCAL NOTE**

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

**REQUEST**

Bill/Resolution No.: HJR 73  
 Title: Relating to national regulation of the insurance industry  
 Sponsor: Labor & Commerce Committee  
 Requester: \_\_\_\_\_  
 Date of Request: \_\_\_\_\_

**FISCAL DETAIL**

Agency Affected: Commerce & Economic Development  
 BRU: Insurance  
 Components: Public Protection

**EXPENDITURES / REVENUES : (Thousands of Dollars)**

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

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
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REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
---------	-----	-----	-----	-----	-----	-----

**FUNDING: (Thousands of dollars)**

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

**POSITIONS:**

FULLTIME	-0-	-0-	-0-	-0-	-0-	-0-
PARTTIME						
TEMPORARY						

**ANALYSIS:** Attach a separate page if necessary.

Prepared by: John L. George, Director  
 Division: Division of Insurance  
 Approved by Commissioner: Loren H. Lounsbury  
 Agency: Commerce and Economic Development

Phone: 465-2515  
 Date: April 23, 1986  
 Date: April 23, 1986

Distribution (by Agency preparing fiscal note):

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

HOUSE  
COMMITTEE REPORT

(7)

Date referred: 3/16/86

FURTHER REFERRALS: FINANCE

DATE: 4/7/86  
HJR 65

The LABOR & COMMERCE Committee has considered

Relating to foreign marketing of Alaska pink salmon products.

and recommends:

- do pass
- do not pass
- do pass with attached amendment(s)
- no recommendation
- replace with CS HJR 65 (Res)  same title
- new title

and recommends \_\_\_\_\_

further referral to the \_\_\_\_\_ Committee

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

SIGNING DO PASS:

SIGNING OTHER RECOMMENDATIONS:

Mike Savane

Mike Lyman

Mike Lyman

Deja Brubaker

Deja Brubaker

Mike Lyman

\_\_\_\_\_

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Mike Savane  
Chairman

4/

**HOUSE  
COMMITTEE REPORT**

(7)

Date referred: 4/9/86

FURTHER REFERRALS: JUDICIARY

DATE: Apr 16, 1986

The LABOR & COMMERCE Committee has considered HJR 73  
Relating to national regulation of the insurance industry.

and recommends:

- do pass
- do not pass
- do pass with attached amendment(s)
- no recommendation
- replace with CS HJR 73  same title
- new title

and recommends NO REC

further referral to the \_\_\_\_\_ Committee

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

SIGNING DO PASS:

Mike Savano  
Mike Davis  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

SIGNING OTHER RECOMMENDATIONS:

Pat Buchanan - no rec  
Robert M. ... - no rec  
... - No Rec  
... - No Rec  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Mike Savano  
Chairman

DEPARTMENT OF PUBLIC SAFETY

POSITION PAPER - HB 535

Oppose

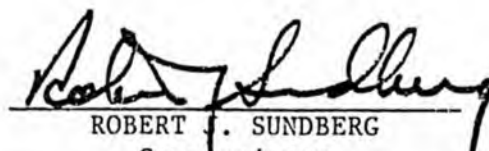
February 13, 1986

HB 535. An Act relating to the registration of motor vehicles.

Requiring proof of insurance at the time of registration will impact DMV at it's 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 which passed the 1984 Legislature has been in effect for the past year. An evaluation of that program 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 programs 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.

  
ROBERT J. SUNDBERG  
Commissioner

# STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

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

**REQUEST**

Bill/Resolution No. : HB-535  
 Title : An Act relating to registration of motor vehicles  
 Sponsor : Rieger, et al.  
 Requestor : H. Labor & Commerce  
 Date of Request : 2/13/86

**FISCAL DETAIL**

Agency Affected : Public Safety  
 BRU : Life and Property Protection Division of Motor Vehicles  
 Components : \_\_\_\_\_

**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	231.2
TRAVEL		2.5	2.6	2.7	2.8	2.9
CONTRACTUAL		115.3	70.2	73.7	77.4	81.3
SUPPLIES		3.0	3.2	3.4	3.6	3.8
EQUIPMENT		2.7				
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>		<b>313.7</b>	<b>275.7</b>	<b>289.5</b>	<b>304.0</b>	<b>319.2</b>

CAPITAL						
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REVENUE						
---------	--	--	--	--	--	--

**FUNDING : (Thousands of Dollars)**

GENERAL FUND		313.7	275.7	289.5	304.0	319.2
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>						

**POSITIONS :**

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

**ANALYSIS :** Attach a separate page if necessary

- Each year's increase represents 5% over previous years.
- One time charges for counter modifications, DP programming, and CRT installations are not included in subsequent year's totals for contractual (48.4).
- Equipment one time charge. (continued on attached pages.)

Prepared by : George Gaguzis, Accounting Supervisor Phone : 269-5574  
 Division : Motor Vehicles Date : 2/10/86

Approved by Commissioner : [Signature] Date : 2/14/86  
 Agency : Public Safety

**Distribution (by Agency preparing fiscal note) :**

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

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	22.5	
General correspondence	2.5	
Telephones & toils	<u>3.1</u>	
73300 Total		28.1
73500 Promotion & Advertising		
Forms	1.5	
Advertising (informing public)	<u>5.0</u>	
73500 Total		6.5
73700 DP line charges for 6 terminals @ 2,000/year each	12.0	
CRT maintenance @ 900/year each	<u>5.4</u>	
73700 Total		17.4

73860	Equipment Lease		
	6 CRT Terminals @ 206/month each	14.9	
73860	Total		14.9
	Total Contractual		115.3
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	<u>2.1</u>	
76050	Total		2.7
	Total Equipment		2.7
	TOTAL FY-87 REQUEST		313.7



Position Title <b>Motor Vehicle Representative II</b>			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							87.2
	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

Page 5 of 5  
 Revised Date \_\_\_\_\_

**FY 87**

# Alaska State Legislature

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## House of Representatives

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PO BOX 110623  
ANCHORAGE ALASKA 99511

WHILE IN JUNEAU  
POUCH V  
JUNEAU ALASKA 99801  
(907) 465-3464

REPRESENTATIVE STEVE RIEGER  
DISTRICT 8, SEAT B

MEMBER  
FINANCE COMMITTEE

### MEMORANDUM

TO: Representative Steve Rieger  
FROM: William Lovell and Lisa J. Rubenstein  
DATE: February 10, 1985  
RE: HB 535, "An Act relating to the registration of motor vehicles"

Pursuant to your request, I have prepared this sectional analysis of House Bill 535 referenced above.

#### SECTION 1

Section 1 amends the procedure for motor vehicle registration. It requires the vehicle owner 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 Department 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 does not alter the insurance coverage currently required under the mandatory insurance law. It merely alters the point in time when a vehicle owner is required to show his motor vehicle is insured; it requires proof of insurance before registration instead of after an accident or six-point traffic ticket.

#### SECTION 2

Section 2 authorizes the Department 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 or has obtained a certificate of self-insurance.

#### SECTION 3

Section 3 authorizes the Department 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 and does not have a certificate of self-insurance.

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

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

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; am § 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 Bank*,

Sup. Ct. Op. No. 2518 (File No. 5437), 646 P.2d 224 (1982).

STATE OF ALASKA  
THE LEGISLATURE

POUCH Y - STATE CAPITOL  
JUNEAU ALASKA 99811  
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

January 20, 1986

SUBJECT: Waiver of mandatory motor vehicle insurance  
requirements (Work Order No. 14-1572)

TO: Representative Steven Rieger

FROM: Theresa L. Bannister *tb*  
Legislative Counsel

You have asked whether the waiver of mandatory insurance coverage allowed by AS 21.89.020(e) allows a person to avoid the mandatory insurance requirements for motor vehicle operators. The answer is no. AS 21.89.020(e) allows a person to decline purchasing the insurance coverage from an insurance company, but this ability to decline does not eliminate either (1) the requirement under AS 28.22.200 that the person have the insurance, or (2) the requirement under AS 28.22.210 that the person show proof of such coverage after certain accidents and traffic law violations. The person who fails to demonstrate such coverage when called upon to do so by AS 28.22.210 will suffer the license suspension penalties of AS 28.22.240 (unless the person otherwise successfully challenges the suspension) even if the person waived purchase of the coverage under AS 21.89.020(e).

TLB:mkr  
M2:046

STATE OF ALASKA  
THE LEGISLATURE

POUCH Y - STATE CAPITOL

JUNEAU, ALASKA 99811

907-465-3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

January 23, 1986

SUBJECT: Penalty for failure to have mandatory auto insurance

TO: Representative Steven Rieger

FROM: Theresa L. Bannister <sup>TLB</sup>  
Legislative Counsel


You have asked whether the present state mandatory vehicle insurance law (AS 28.22) imposes a penalty on a person who is required to carry the insurance but who is not involved in an accident of a certain level under AS 28.22.210 or cited for a six-point traffic law violation. Although AS 28.22.200 requires certain operators and owners of motor vehicles who are not self-insured under AS 28.20.400 to carry motor vehicle liability insurance that complies with AS 28.22, there is no penalty imposed until the person has the accident or is cited for the six-point traffic law violation and fails to provide proof of such insurance.

TLB:csh  
c5/023



# RECORDS CERTIFICATION

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Signature of Camera Operator

  
Date