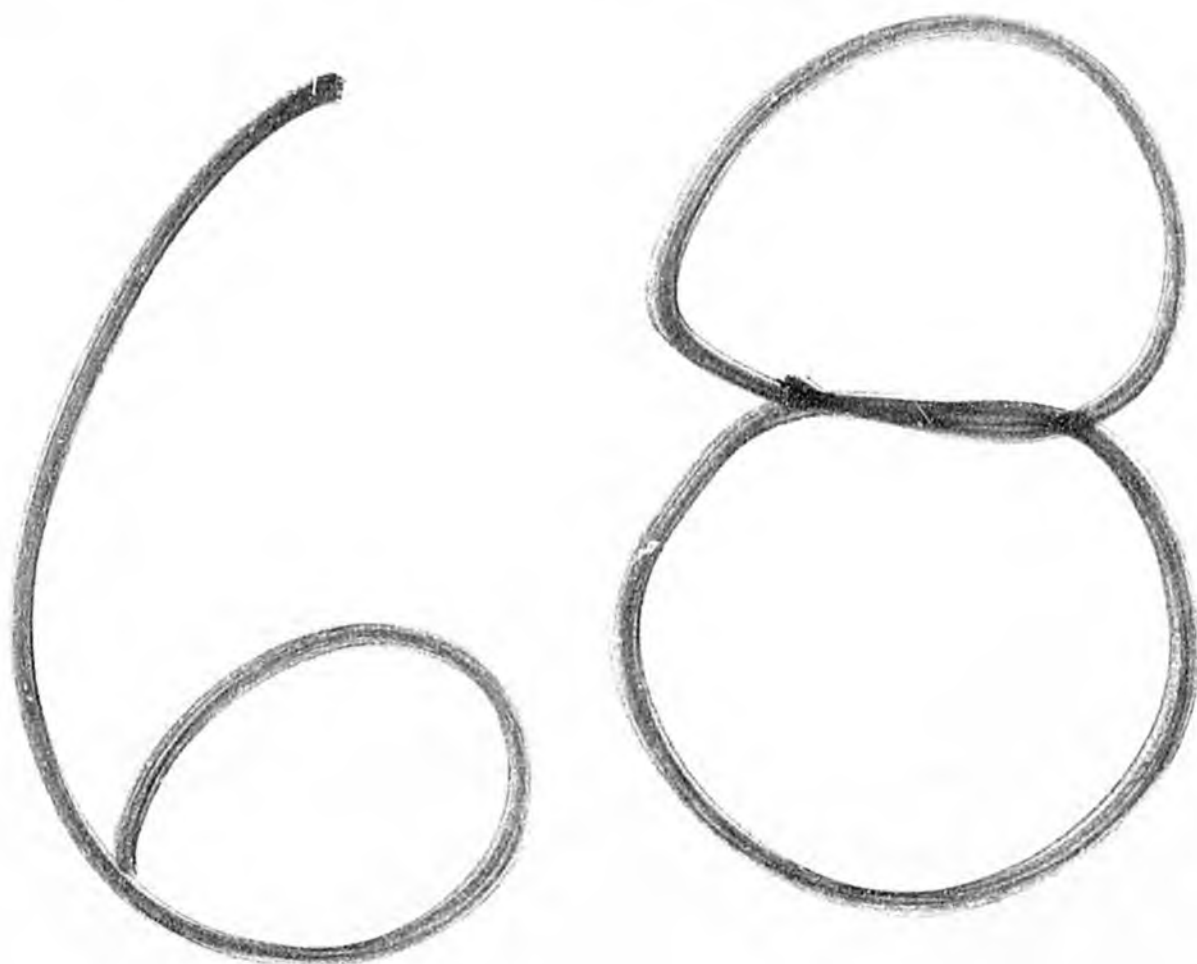


HB



COMMITTEE REPORT
HOUSE

4/24

Judiciary

(7)

FURTHER: Finance

1/16/85

Date: April 22, 1985

The Committee on Labor and Commerce has had HB 68
"An Act relating to motor vehicle liability insurance."

under consideration and recommends:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for HB 68 (LTC) same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation Zero Fiscal Note Attached
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

[Signature]

[Signature]

MEMBERS HAVING
OTHER RECOMMENDATIONS:

[Signature]

[Signature]

[Signature]

[Signature]
CHAIRMAN

HB 68

Mike...

Don Koch of the Division of Insurance just called on HB 68 by Shultz on mandatory insurance for licensed drivers instead of autos, and he said after talking with Shultz that he was under the impression that they were going to submit a proposed CS that would be acceptable to the Department, and indeed that was what Shultz has been telling everyone, including us.

What has happened is that they have left in several sections in the bill, including 7 8 and 9, and there are some other problems as well, so there is no way that they can support the CS in its present form. The Dept. of Public Safety I gather would support the proposed CS that Koch is supporting, but would be opposed to Shultz' version as well.

In other words, the bill has problems. Shultz has a bill up in Finance today he is nervous about, so maybe we can hold the bill over to Friday and give him time to work out the problems with the DePt. of Commerce and Don Koch. Don was of the impression that it got included in as a mistake, because of misunderstanding, but on the other hand, Shultz has been known to make "mistakes" like this to his advantage. In either case, it sounds like Shultz needs to work out some further wrinkles, so maybe you can talk to him about it--its frustrating to be wasting valuable committee time working out the problems on a bill in committee because a sponsor didnt do his work up front before the bill ever got submitted.

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

To: Mike
From: Roger

March 28, 1985

HB 68: I got the distinct impression that Rep. Shultz is relatively soft on the actual language of the bill, and would be quite amenable to any changes or amendments to it. He sees that there is a problem area, and is trying to correct it, but the wording of his original bill and even his draft has caused some problems with both the Dept. of Public Safety and with the insurance industry. I understand Bill Brown of Public Safety will be here to testify before he has to leave at 1:30. They have backed off from their original opposition to HB 68 and seem to be supportive of the proposed SS for HB 68.

I understand that someone from the Division of Insurance, Dept. of Commerce will also be here on the bill, and they will probably be opposed to it.

There is a fair amount of public interest and support for the bill, judging from the petitions and POMs in your file.

I have heard various problems have been created by the passage of the mandatory insurance act that no one anticipated when it passed. This bill might be the ideal vehicle to take care of some of those problems. One of the problems, dealing with truckers, I have covered in my memo to the Committee, and it may be taken care of by Senator Coghill in another bill as an amendment. I think Shultz has just thrown this into the committee hopper to see what additional input it could generate.

You may want to appoint a subcommittee to study the issue further. I don't think Shultz is necessarily keen to get it through the Committee this year, and would be amenable to letting the committee take its time and doing it right, if you and they feel they can support it.

M E M O R A N D U M

TO: All Members, House Labor and Commerce Committee

FROM: Roger Poppe, Committee Staff

DATE: March 28, 1985

SUBJECT: Overview, HB 68

On Thursday, March 28, 1985, the House Labor and Commerce Committee met at 1:15 pm in Room 102 Capitol on HB 68 by Rep. Shultz, relating to mandatory insurance for automobiles.

Last year, the 13th Legislature passed CSSHB 7, the mandatory auto insurance bill, into law. This bill became effective on January 1, 1985 as Chapter 70 SLA 1984. While this bill had the best of intentions, there have been some unanticipated and undesirable side-effects of the legislation which are only just now coming to light.

This bill is an attempt to rectify one problem area. It appears that there are numerous drivers in Alaska who drive a large number of vehicles part-time, and it would be prohibitively expensive for them to ensure all of their automobiles. Thus, this legislation is an attempt to provide an alternative for such drivers so that instead of ensuring many vehicles, they can have an option of ensuring themselves as drivers instead of their vehicles.

What is proposed is a radical new approach to the insurance industry. Preliminary research by the sponsor indicates there is no other state in the union to date that provides to driver's liability insurance based solely on the driver instead of the vehicle. The concept has been proposed in Canada, but has so far not been passed into law.

Insurance companies at present are resistant to the idea, because it is such a radical departure from their current approach, and there is not any data available to indicate how much of an impact. The Department of Public Safety opposed the original bill (their objections are covered in the Jan. 28 Position Paper, (#5 in your file), but are more supportive of the proposed SS. Other problems are covered in the House Research Analysis (# 6 in your file).

A second problem area that has come to light is the issue of drivers in the trucking industry who currently use the same license to drive both professionally and personally. Because of the competitive pressures of the trucking industry, they often get speeding and overweight tickets, but their personal vehicle driving may be free of violations. Yet, they still have to pay the maximum insurance premiums for their private vehicle use because of their professional driving record. It may be possible to address this problem in this bill; or, it appears that Senator Coghill is working on this problem in Senate Transportation Committee, with the possibility of expanding the chauffeur's license requirements from bus drivers to include truckers. This might be included as an amendment to either SB 103 or its companion HB 133; regulating safety of motor/air carriers.

Edwards
4/22/85 ✓

Original sponsor: Shultz

1
2 IN THE HOUSE

BY THE LABOR AND
COMMERCE COMMITTEE

3 CS FOR HOUSE BILL NO. 68 (L&C)

4 IN THE LEGISLATURE OF THE STATE OF ALASKA

5 FOUR TENTH LEGISLATURE - FIRST SESSION

6 A BILL

7 For an Act entitled: "An Act relating to motor vehicle liability insur-
8 ance."

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

10 * Section 1. AS 28.22.010 is repealed and reenacted to read:

11 Sec. 28.22.010. MOTOR VEHICLE LIABILITY POLICY. (a) An owner's
12 motor vehicle liability policy must designate by description or appro-
13 priate reference the motor vehicles that it covers and insure the
14 person named against loss from the liability imposed by law for dam-
15 ages that arise from the ownership, maintenance, or use of a desig-
16 nated motor vehicle, or the use by an insured person of a nonowned
17 motor vehicle.

18 (b) An operator's motor vehicle liability policy must insure the
19 person named as insured against loss from the liability imposed by law
20 for damages that arise from the use by the operator of a motor vehicle
21 not owned by the operator.

22 (c) A personal motor vehicle liability policy must insure the
23 person named as insured against loss from the liability imposed by law
24 for damages that arise from the ownership, maintenance, or use by the
25 named person of an owned or nonowned motor vehicle.

26 (d) A motor vehicle liability policy must provide coverage in
27 the United States or Canada, subject to limits exclusive of interest
28 and costs, with respect to each vehicle, as follows:

29 (1) \$50,000 because of bodily injury to or death of one
person in one accident, and, subject to the same limit for one person,

1 \$100,000 because of bodily injury to or death of two or more persons
2 in one accident; and

3 (2) \$25,000 because of injury to or destruction of property
4 of others in one accident.

5 (e) A motor vehicle liability policy must provide coverage under
6 AS 28.22.100 - 28.22.130 in the amounts set out in (d) of this section
7 for the protection of the persons insured under the policy who are
8 legally entitled to recover damages from the owner or operator of an
9 uninsured or underinsured motor vehicle because of bodily injury or
10 death, or damage to or destruction of property arising out of the
11 ownership, maintenance, or use of the uninsured or underinsured motor
12 vehicle.

13 (f) A motor vehicle liability policy must state the name and
14 address of the named insured and meet the requirements of AS 21.42.-
15 160 - 21.42.170. In the absence of specific contract language or
16 endorsement, the motor vehicle liability policy issued for a person in
17 this state is presumed to meet the minimum requirements of (d) of this
18 section.

19 * Sec. 2. AS 28.22.100(b) is amended to read:

20 (b) If both the owner and operator of a [THE UNINSURED] vehicle
21 are unknown, payment under the uninsured and underinsured motorists
22 coverage may be made only where direct contact between the [INSURED
23 AND UNINSURED OR UNDERINSURED] motor vehicles has occurred. A vehicle
24 and operator that have [HAS] left the scene of the accident with
25 another [AN INSURED] vehicle are [IS] presumed to be uninsured if the
26 insured person reports the accident to the appropriate authorities
27 within 24 hours.

28 * Sec. 3. AS 28.22.100(c) is amended to read:

29 (c) The uninsured and underinsured motorists coverage for damage

1
2 to or destruction of property is subject to a deductible of \$250 in
3 any one accident, but the insurer may offer a deductible other than
4 \$250. This coverage shall be limited to damage to or destruction of
5 the covered [INSURED] motor vehicle. It may not include loss of use
6 of such vehicle.

7 * Sec. 4. AS 28.22.200(a) is amended to read:

8 (a) The operator or owner of a motor vehicle subject to registra-
9 tion under AS 28.10.011 when driven on a highway, vehicular way or
10 area, or on other public property in the state, shall be insured under
11 a [HAVE] motor vehicle liability policy [INSURANCE] that complies with
12 this chapter or a certificate of self-insurance that complies with
13 AS 28.20.400 [IN EFFECT FOR THE MOTOR VEHICLE], unless

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

17 (A) the land-connected state highway system, or

18 (B) a highway or vehicular way with an average daily
19 traffic volume greater than 499; and

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

24 * Sec. 5. AS 28.22.600 is repealed and reenacted to read:

25 Sec. 28.22.600. DEFINITION. In this chapter, "motor vehicle
26 liability policy" means an owner's policy, an operator's policy, or a
27 personal policy that

28 (1) meets the requirements established under AS 28.22.010;
29 and

(2) is issued by an insurance carrier authorized to

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29

transact business in the state to or for the benefit of the person
named as insured.

Edwards
4/11/85✓

Original sponsor: Shultz

1 IN THE HOUSE

BY THE LABOR AND
COMMERCE COMMITTEE

2
3 CF FOR HOUSE BILL NO. 68 (L&C)
4 IN THE LEGISLATURE OF THE STATE OF ALASKA
5 FOURTEENTH LEGISLATURE - FIRST SESSION

6 A BILL

7 For an Act entitled: "An Act relating to motor vehicle liability insur-
8 ance."

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

10 * Section 1. AS 28.20.450 is amended to read:

11 Sec. 28.20.450. NOTICE OF CANCELLATION OR TERMINATION OF CERTI-
12 FIED POLICY. When an insurance carrier certifies a motor vehicle
13 liability policy under AS 28.20.410, [OR] 28.20.420, or AS 28.22.200
14 the insurance certified may not be cancelled or terminated until at
15 least 10 days after a notice of cancellation or termination of the
16 insurance is filed with the department, except that a policy that
17 complies with the requirements of AS 28.22 or this chapter, subse-
18 quently procured and certified shall, on the effective date of its
19 certification, terminate for the purpose of this chapter the insurance
20 previously certified for a vehicle designated in both certificates.

21 * Sec. 2. AS 28.22.010 is repealed and reenacted to read:

22 Sec. 28.22.010. MOTOR VEHICLE LIABILITY POLICY. (a) An owner's
23 motor vehicle liability policy must designate by description or appro-
24 priate reference the motor vehicles that it covers and insure the
25 person named against loss from the liability imposed by law for dam-
26 ages that arise from the ownership, maintenance, or use of a desig-
27 nated motor vehicle, or the use by an insured person of a nonowned
28 motor vehicle.

29 (b) An operator's motor vehicle liability policy must insure the
person named as insured against loss from the liability imposed by law

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29

for damages that arise from the use by the operator of a motor vehicle not owned by the operator.

(c) A personal motor vehicle liability policy must insure the person named as insured against loss from the liability imposed by law for damages that arise from the ownership, maintenance, or use by the named person of an owned or nonowned motor vehicle.

(d) A motor vehicle liability policy must provide coverage in the United States or Canada, subject to limits exclusive of interest and costs, with respect to each vehicle, as follows:

(1) \$50,000 because of bodily injury to or death of one person in one accident, and, subject to the same limit for one person, \$100,000 because of bodily injury to or death of two or more persons in one accident; and

(2) \$25,000 because of injury to or destruction of property of others in one accident.

(e) A motor vehicle liability policy must provide coverage under AS 28.22.100 - 28.22.130 in the amounts set out in (d) of this section for the protection of the persons insured under the policy who are legally entitled to recover damages from the owner or operator of an uninsured or underinsured motor vehicle because of bodily injury or death, or damage to or destruction of property arising out of the ownership, maintenance, or use of the uninsured or underinsured motor vehicle.

(f) A motor vehicle liability policy must state the name and address of the named insured and meet the requirements of AS 21.42.-160 - 21.42.170. In the absence of specific contract language or endorsement, the motor vehicle liability policy issued for a person in this state is presumed to meet the minimum requirements of (d) of this section.

1
2 * Sec. 3. AS 28.22.100(b) is amended to read:

3 (b) If both the owner and operator of a [THE UNINSURED] vehicle
4 are unknown, payment under the uninsured and underinsured motorists
5 coverage may be made only where direct contact between the [INSURED
6 AND UNINSURED OR UNDERINSURED] motor vehicles has occurred. A vehicle
7 and operator that have [HAS] left the scene of the accident with
8 another [AN INSURED] vehicle are [IS] presumed to be uninsured if the
9 insured person reports the accident to the appropriate authorities
10 within 24 hours.

11 * Sec. 4. AS 28.22.100(c) is amended to read:

12 (c) The uninsured and underinsured motorists coverage for damage
13 to or destruction of property is subject to a deductible of \$250 in
14 any one accident, but the insurer may offer a deductible other than
15 \$250. This coverage shall be limited to damage to or destruction of
16 the covered [INSURED] motor vehicle. It may not include loss of use
17 of such vehicle.

18 * Sec. 5. AS 28.22.120 is amended to read:

19 Sec. 28.22.120. POLICY COVERAGE AND PRIORITIES. If an insured
20 is entitled to uninsured or underinsured motorists coverage under more
21 than one policy of motor vehicle liability insurance, or under more
22 than one coverage if two or more vehicles are insured under one pol-
23 icy, the maximum amount an insured may recover may [SHALL] not exceed
24 the highest limit of any one policy or coverage. Where multiple
25 policies or coverages apply, payment shall be made in the following
26 order of priority, subject to the limit of liability for each appli-
27 cable policy or coverage:

28 (1) a policy or coverage covering the operator of a motor
29 vehicle occupied by the injured person at the time of the accident;

(2) a policy or coverage covering a motor vehicle occupied

1
2 by the injured person at the time of the accident;

3 (3) a policy or coverage covering the operator of a motor
4 vehicle that came into contact with the insured while a pedestrian;

5 (4) a policy or coverage covering a motor vehicle that came
6 into contact with the insured while a pedestrian; and

7 (5) [(3)] a policy or coverage covering [A MOTOR VEHICLE
8 NOT INVOLVED IN THE ACCIDENT WITH RESPECT TO WHICH] the injured person
9 [IS AN INSURED OR A NAMED INSURED].

10 * Sec. 6. AS 28.22.200(a) is amended to read:

11 (a) The operator or owner of a motor vehicle subject to regis-
12 tration under AS 28.10.011 when driven on a highway, vehicular way or
13 area, or on other public property; in the state, shall be insured under
14 a [HAVE] motor vehicle liability policy [INSURANCE] that complies with
15 this chapter or a certificate of self-insurance that complies with
16 AS 28.20.400 [IN EFFECT FOR THE MOTOR VEHICLE], unless

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

20 (A) the land-connected state highway system, or

21 (B) a highway or vehicular way with an average daily
22 traffic volume greater than 499; and

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

27 * Sec. 7. AS 28.22.210 is amended to read:

28 Sec. 28.22.210. REQUIREMENT OF PROOF OF MOTOR VEHICLE LIABILITY
29 INSURANCE. The holder of an Alaska driver's license [OWNER OR OPERA-
TOR OF A MOTOR VEHICLE REQUIRED TO HAVE MOTOR VEHICLE LIABILITY

1 INSURANCE THAT COMPLIES WITH THIS CHAPTER OR A CERTIFICATE OF SELF-
2 INSURANCE THAT COMPLIES WITH AS 28.20.400,] must show proof of motor
3 vehicle liability [THIS] insurance when that person
4

5 (1) is involved in an accident that results in bodily
6 injury to or death of a person, or damage to the property of a person
7 exceeding \$500; [OR]

8 (2) is charged with a traffic law violation with a demerit
9 point value of six or more on the point schedule determined under
10 regulations adopted by the department under AS 28.15.221; or

11 (3) applies to obtain or renew an Alaska driver's license.

12 * Sec. 8. AS 28.22.210 is amended by adding a new subsection to read:

13 (b) A holder of an Alaska driver's license who changes motor
14 vehicle liability insurance carriers shall present to the department's
15 satisfaction, in person or by mail, evidence of a written binder of
16 insurance coverage that complies with the requirements of this chapter
17 before the discontinued policy is scheduled to terminate.

18 * Sec. 9. AS 28.22.240(a) is amended to read:

19 (a) If the holder of an Alaska driver's license [A PERSON] fails
20 to provide proof that motor vehicle liability insurance [OR A CERTIFI-
21 CATE OF SELF-INSURANCE] was in effect at the time of an accident or
22 when the person was charged with a violation of a traffic law de-
23 scribed in AS 28.22.210, the department shall suspend the driver's
24 license of that person for the following periods:

25 (1) not less than 90 days if, within the preceding 10
26 years, the person has not previously had a driver's license suspended
27 for violation of AS 28.22.200;

28 (2) not less than one year if, within the preceding 10
29 years, the person has previously had a driver's license suspended one
or more times for violation of AS 28.22.200.

1
2 * Sec. 10. AS 28.22.240 is amended by adding a new subsection to read:

3 (h) Upon notification by an insurance carrier that the motor
4 vehicle liability coverage of a licensed Alaska driver has been can-
5 celled or terminated, the department shall suspend the person's li-
6 cense subject to the provisions of (f) and (g) of this section. The
7 suspension remains in effect until a new driver's license is obtained.
8 The provisions of AS 28.15.211 do not apply to license suspensions
9 under this subsection.

10 * Sec. 11. AS 28.22.600 is repealed and reenacted to read:

11 Sec. 28.22.600. DEFINITION. In this chapter, "motor vehicle
12 liability policy" means an owner's policy, an operator's policy, or a
13 personal policy that

14 (1) meets the requirements established under AS 28.22.010;

15 and

16 (2) is issued by an insurance carrier authorized to trans-
17 act business in the state to or for the benefit of the person named as
18 insured.

ANALYSIS OF CS for HB 68

- Sec. 1. AS 28.20.450 is amended to read NOTICE OF CANCELATION OR TERMINATION OF CERTIFIED POLICY. When one insurance carrier certifies a motor vehicle liability policy under AS 28.20.410; 28.20.420 or AS 28.22.200 the insurance may not be cancelled or terminated until 10 days after notification has been filed with Department except a policy which meets requirements of AS. 28.22 or this chapter should terminate the insurance previously certified for a vehicles certified in both certificates.
- Sec. 2. AS 28.22.010 MOTOR VEHICLE LIABILITY POLICY
- (a) owners policy must designate by description the vehicle it insures and insure the owner named in the policy
 - (b) Protects owner from liability even tho some one else is driving vehicle.
 - (c) Personal liability policy must insure person named as insured against loss from liability.
 - (d) Policy must provide coverage in United States and Canada subject to limits:
 - (1) \$50,000 bodily injury one person or \$100,000 for 2 or more.
 - (2) \$25,000 property damage
 - (e) Provides coverage under AS 28.22.1.00 and 28.22.130.
 - (f) Policy must state name and address of insured.
- Sec. 3. AS 28.22.100 (b) is amended
- (b) If both owner and operator of a vehicle are unknown payment under uninsured or underinsured motorists coverage may be made only when direct contact between motor vehicles has occurred. A person and a vehicle reported to have left the scene of the accident with another vehicle are presumed to be uninsured if the insured person reports to the authorities within 24 hours.
- Sec. 4. AS 28.22.100 (c) is amended to limit to damage to or destruction of covered vehicle only. Does not include loss of use of such vehicle

Sec. 5. AS 28.22.120 is amended to read:

the maximum recovery may not exceed highest limit of any one policy or coverage.

Order of Priority should be

- (1) Operator of motor vehicle
- (2) Policy or coverage covering a motor vehicle occupied by the injured person at the time of the accident
- (3) A policy or coverage covering the operator of a motor vehicle that came into contact with the insured while a pedestrian.
- (4) A policy or coverage covering a motor vehicle that came into contact with the insured while a pedestrian; and
- (5) A policy or coverage covering the injured person.

Sec. 6. AS 28.22.200 is amended

- (a) operator or owner of a motor vehicle subject to registration shall be insured under a motor vehicle liability policy that complies with AS 28.20.400.

Sec. 7. AS 28.22.210 REQUIREMENT OF PROOF OF MOTOR VEHICLE LIABILITY INSUREANCE. The holder of an Alaska drivers license must show proof of motor vehicle liability 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;
- (2) is charged with a traffice law violation with a demerit point value of six or more as determined under AS 28.15.221; or
- (3) applies to obtain or renew an Alaska driver's license.

Sec. 8. AS 28.22.210 is amended by adding a new subsection to read:

- (b) A holder of an Alaska driver's license who changes motor vehicle liability insurance carriers shall present to the department's satisfaction, in person or by mail, evidence of a written binder of insurance coverage that complies with the requirements of this chapter before the discontinued policy is scheduled to terminate.

Sec. 9. AS 28.22.240 (a) is amended to read:

- (a) If the holder of an Alaska drivers license fails to provide liability insurance the department shall suspend the driver's license of that person for the following periods
- (1) not less than 90 days if within the last 10 years the person has not had a violation of AS 28.22.200;
 - (2) Not less than 1 year if person has had a suspension in the last 10 years.

Sec. 10. AS 28.22.240 is amended by adding a new subsection to read

- (h) Upon notification by an insurance carrier the liability of a licensed driver has been cancelled, the department shall suspend the persons license subject to the provisions of (f) and (g) of this section. The suspension remains in effect until a drivers license is obtained. Provisions under AS 28.22.211 do not apply to license suspension under this subsection.

Sec. 11. AS 28.22.60 is repealed and re-enacted to read:

Definition of "motor vehicle liability policy" means an owners policy, operators policy or a personal policy that

- (1) meets requirements under AS 28.22.010
- (2) issued by insurance carrier authorized to transact business in Alaska

April 18, 1985 Thursday Meeting

- 19) Draft CS for HB 68 (L & C) -- April 11, 85
- 20) Analysis of proposed CS for HB 68 -- Rep. Shultz' office
- 21) POM from Larry Deurlbliss--Jan. 23, 85
- 22) Fiscal Note, Analysis, and PS -- Dept. of Public Safety (April 15, 1965 Buck Slip--Signed date by Comm. is 1/30/85 (same as #5 above)

*
* DELIVER TO: JPOM *
* *
* *
* ORIGINAL *
* SENT: 01/23/85 TIME: 15:49 *
* FROM: TERESA ALAZAR *
* SUBJECT: POM MAT-32 *
* PRINT DATE: 01/23/85 TIME: 15:51 *
* *

TO: REP. SHULTZ
REP. HURLEY
REP. LARSON

FROM: LARRY DEURLBLISS
SRD 9302
PALMER, 99645

PHONE: 745-6591

RE: HB 68, INSURANCE FOR LICENSED DRIVERS

I THINK IT'S GREAT. I'M A FARMER WITH 10 VEHICLES. I'M THE ONLY ONE DRIVING THEM. IT WOULD BE A HELP TO INSURE ONE DRIVER FOR ALL VEHICLES.

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: HB 68
 Title: An Act relating to motor vehicle liability insurance
 Sponsor: Shultz
 Requestor: House Labor & Commerce
 Date of Request: 1-29-85

FISCAL DETAIL

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

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES		301.4	316.5	332.3	348.9	366.3
200 TRAVEL		7.7	8.1	8.5	8.9	9.3
300 CONTRACTUAL		163.8	135.2	142.0	149.1	156.5
400 SUPPLIES		3.9	4.1	4.3	4.5	4.7
500 EQUIPMENT		16.1	-0-	-0-	-0-	2.0
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	-0-	492.9	463.9	487.1	511.4	538.8

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

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

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	492.9	463.9	487.1	511.4	538.8
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	492.9	463.9	487.1	511.4	538.8

POSITIONS:

FULL-TIME	-0-	10	10	10	10	10
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

Assumptions: Effective date July 1, 1985
 5% inflation factor used for FY87 and subsequent years.

Breakdown attached.

Prepared By: Charles R. Hosack Phone: 269-5551
 Division: Motor Vehicles Date: 1-24-85

Approved by Commissioner Michael J. Cooney Date: 1-30-85
 Agency: Public Safety

Distribution (by Agency preparing fiscal note):

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

Summary of AS 36 Activity
June 1, - November 30, 1983

Total enforcement: 200
Resident Hire: 76
Wage related: 124

Total workers assisted: 866
Resident Hire: 319
Wage related: 547

Total dollars recovered: \$535,340.30

The information included in this report was gathered from the audits of 12,040 payrolls for the projects covered. These projects employed an average of 12,361 laborers, mechanics and field surveyors each month.

(The department is approximately 4-6 months behind in their work).

FISCAL NOTE
HB-68

There are approximately 350,000 individuals who are holders of an Alaska driver's license. Each time one of them, or someone applying for an Alaska driver's license for the first time, applies for a driver's license they must show proof of motor vehicle liability insurance under this proposed bill. It is estimated that 10% would change insurance, miss a payment, or cancel their policy each year. Of that 10%, (35,000 drivers), it is estimated 50% would fail to notify DMV of the change. Of the 17,500 drivers who would fail to notify DMV, each would be sent a suspension notice via certified mail as required by law. 17,500 drivers would notify DMV of the insurance change, and their notice must be posted in DMV records and microfilmed.

DMV would also have to start keeping track of licenses returned from another state because these individuals would no longer be holders of an Alaska license, thus DMV should not suspend their driving privileges upon receipt of notice from an insurance company that their insurance was terminated. In 1984 approximately 12,000 Alaska licenses were returned from another state when the ex-resident became licensed in that other state.

DMV would start sending out renewal notices prior to the expiration of a driver's license to remind licensees they must present proof of insurance at the time of application for renewal. Since most addresses will be five years old, it is realized several of these will be returned as undelivered.

100 PERSONAL SERVICES

1 Doc. Proc. Clk. III, Range 10, Juneau	30.9		
1 Doc. Proc. Clk. II, Range 8, Juneau	27.7		
2 Doc. Proc. Clk. I, Range 7, Juneau	52.8		
1 Clk. Typist II, Range 7, Anchorage	26.4		
1 Dr. Impr. Spec. (Hearing Officer) Range 16, Anchorage	43.0		
4 MVR II, Range 9	120.6		301.4

It is felt it would take more than the above to administer the program, however it is also felt as a result of this law there will be a slight increase in the number of insured drivers. Therefore we will not have as many uninsured accidents to process and the personnel which currently handles that program could assist with the paperwork generated by this new law.

200 TRAVEL

To conduct hearings and training of new hearing officer:	Travel	4.5		
	Per Diem	3.2	7.7	7.7

300 CONTRACTUAL			
310	Postage		
	17,500 Certified Suspension Letters @ \$1.75	30.6	
	1,750 Certified Letters (hearings) @ \$1.75	3.1	
	General Correspondence	2.2	
	Renewal Notices, 70,000 at \$.22	15.4	
	Telephones & Tolls	2.8	54.1
320	Forms		
	Renewal Notices, 72,000 @ \$.	2.0	
	Suspension Notices, 20,000 @ \$.335	6.7	
	Hearing Notices, etc.	1.8	10.5
330	Space (800 sq. ft. @ \$24/ft.)	19.2	19.2
340	Office Equipment	1.5	
360	1 Copy Machine @ \$270/month	3.2	
	6 CRT Terminals @ \$206/month ea.	14.8	18.0
380	Contractual Services - DP Program	35.0*	
	Installation of CRTs	.6	35.6
382a			
	DP Line Charges - 6 terminals @ \$2,000/year each	12.0	
	DP Data Circuit - 6 terminals @ \$1,500/year each	9.0	
	CRT Maintenance - 6 terminals @ \$900/year each	5.4	26.4 163.8
400 COMMODITIES			
480	Normal Office Supplies	2.8	
	Microfilm Supplies	1.1	3.9 7.9
500 EQUIPMENT			
	4 Desks @ \$576.09	2.3	
	2 Desks @ \$468.71	.9	
	4 Typewriters @ \$1,369.36	5.5	
	8 Chairs @ \$272.21	2.2	
	2 CRT Tables @ \$225.00	.5	
	4 File Cabinets @ \$308.65	1.2	
	1 Storage Cabinet	.2	
	6 Acoustical Panels @ \$408.75	2.4	
	Recording Equipment	.9	16.1 16.1

* Initial programming change - first year only.

1.	POSITION TITLE Document Processing Clerk I			RANGE/STEP 7B	BARG. UNIT GGU	PAGE/LINE	GOV.	APPROV.	DISAPP.
2.	TYPE OF POSITION PFT	STAFF MONTHS 12	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION Juneau	ELECTION DISTRICT 4	LEG.	
3.	CONTINUATION LEVEL	ADDITION		JUSTIFICATION					
4.	TYPE OF EXPENDITURE			AMOUNT					
	1	2		3					
	PERSONAL SERVICES								
5.	Salary	19,032							
6.	Benefits	3,489							
7.	Supplemental Benefits	1,167							
8.	Fixed Benefits	2,732							
9.	TOTAL PERSONAL SERVICES	01		26.4					
10.	Travel	02							
11.	Contractual	03							
12.	Commodities	04		.2					
13.	Equipment	05		.8					
14.	Other								
15.	TOTAL COST			27.4					
	RECEIPT CODE	FUNDING SOURCE							
16.		Federal Receipts 1002							
17.		G.F. Match 1003							
18.		General Funds 1004		27.4					
19.		I-A Receipts 1005							
20.		Program Receipts 1020							
21.		Other							
FOR B&M USE ONLY KEY NUMBER _____									

This position will make entries into computer system to reflect when an Alaska driver's license has been returned by another state when the licensee has moved and became licensed in another state.

Will process proof of insurance for the future filings (SR22) when required for three years after a licensee has been suspended under the new law.

Will enter data on computer concerning insurance coverage.

REQUEST FOR
NEW POSITION

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

Page of
Revised Date

FY 86

1.	POSITION TITLE Document Processing Clerk				RANGE/STEP 7B	BARG. UNIT GGU	PACE/LINE	COV.	AS PROV.	DISAP.
2.	TYPE OF POSITION PFT	STAFF MONTHS 12	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION Juneau	ELECTION DISTRICT 4	LEG.		
3.	CONTINUATION LEVEL				JUSTIFICATION					
4.	TYPE OF EXPENDITURE				AMOUNT					
	1		2		3					
	PERSONAL SERVICES									
5.	Salary		19,032							
6.	Benefits		3,489							
7.	Supplemental Benefits		1,167							
8.	Fixed Benefits		2,732							
9.	TOTAL PERSONAL SERVICES		01		26.4					
10.	Travel		02							
11.	Contractual		03							
12.	Commodities		04		.2					
13.	Equipment		05		.8					
14.	Other									
15.	TOTAL COST				27.4					
	RECEIPT CODE				FUNDING SOURCE					
16.					Federal Receipts 1002					
17.					G.F. Match 1003					
18.					General Funds 1004					
19.					I-A Receipts 1005					
20.					Program Receipts 1028					
21.					Other					
					27.4					
FOR B&M USE ONLY KEY NUMBER _____										

This position will mainly handle computer entry of microfilmed items so it is possible to retrieve documents. New law will generate thousands of additional pieces of paper. Driver Services microfilms documents as a cost saving factor to prevent cost of storage space, files, etc.

Will also assist in preparation of documents for microfilming.

Will process driving while license suspended convictions which were as a result of the new law.

**REQUEST FOR
NEW POSITION**

AGENCY Public Safety

PROGRAM Life and Property Protection

BRU Division of Motor Vehicles

COMPONENT Driver Services

FY 86

Page _____ of _____

Revised Date _____

1.	POSITION TITLE Document Processing Clerk II			RANGE/STEP 8B	BARG. UNIT GGU	PAGE/LINE	GOV.	APPROV.	ISAPP.
2.	TYPE OF POSITION PFT	STAFF MONTHS 12	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION Juneau	ELECTION DISTRICT 4	LEG.	
3.	CONTINUATION LEVEL			JUSTIFICATION					
4.	TYPE OF EXPENDITURE			AMOUNT					
	1	2	3						
	PERSONAL SERVICES								
5.	Salary	20,136							
6.	Benefits	3,636							
7.	Supplemental Benefits	1,234							
8.	Fixed Benefits	2,732							
9.	TOTAL PERSONAL SERVICES	01	27.7						
10.	Travel	02							
11.	Contractual	03							
12.	Commodities	04	.2						
13.	Equipment	05	2.6						
14.	Other								
15.	TOTAL COST		30.5						
	RECEIPT CODE	FUNDING SOURCE							
16.		Federal Receipts 1002							
17.		G.F. Match 1003							
18.		General Funds 1004		30.5					
19.		I-A Receipts 1005							
20.		Program Receipts 1028							
21.		Other							
FOR B&M USE ONLY KEY NUMBER _____									

This position will handle and file change of insurance forms received from persons who change insurance carriers. Also notifications from the insurance companies that a policy has been cancelled or terminated. When notice from insurance company is received, will check file to determine whether or not the licensee has filed a change of insurance form. If not, refer to suspension desk.

Will prepare certified copies of suspension notices and supporting documents for use by presecutors, courts, law enforcement officers, etc.

FY 86

**REQUEST FOR
NEW POSITION**

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

Page _____ of _____
Revised Date _____

1.	POSITION TITLE Document Processing Clerk III				RANGE/STEP 10B	BARG. UNIT GGU	PAGE/LINE	COV.	APPROV.	DISAPP.
2.	TYPE OF POSITION PFT	STAFF MONTHS 12	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION Juneau	ELECTION DISTRICT 4	LEG.		
3.	CONTINUATION LEVEL				JUSTIFICATION					
4.	TYPE OF EXPENDITURE									
	1		2		3					
	PERSONAL SERVICES									
5.	Salary		22,716							
6.	Benefits		4,102							
7.	Supplemental Benefits		1,392							
8.	Fixed Benefits		2,732							
9.	TOTAL PERSONAL SERVICES		01		30.9					
10.	Travel		02							
11.	Contractual		03							
12.	Commodities		04		.2					
13.	Equipment		05		2.2					
14.	Other									
15.	TOTAL COST				33.3					
	RECEIPT CODE				FUNDING SOURCE					
16.					Federal Receipts 106					
17.					G.F. Match 1003					
18.					General Funds 1004					
19.					I-A Receipts 1005					
20.					Program Receipts 1028					
21.					Other					
FOR B&M USE ONLY										
KEY NUMBER _____										

This position will handle correspondence concerning oral and written answers or statements from the licensee following notification of suspension.

When necessary, will generate suspension notices to licensees for whom insurance cancellation or termination notices have been received, and the licensee did not file the necessary change of insurance. Will enter these license actions onto computer system. This requires extreme accuracy to prevent incorrect status or incorrect record. Otherwise, an innocent citizen may go to jail.

**REQUEST FOR
NEW POSITION**

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

Page _____ of _____
Revised Date _____

FY 86

1.	POSITION TITLE Driver Improvement Specialist				RANGE/STEP 16A	BARG. UNIT GGU	PAGE/LINE	COV.	APPROV.	DISAPP.
2.	TYPE OF POSITION PFT	STAFF MONTHS 12	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION Anchorage	ELECTION DISTRICT 7-15	LEG.		
3.	CONTINUATION LEVEL				JUSTIFICATION					
4.	TYPE OF EXPENDITURE									
			2			3				
	PERSONAL SERVICES									
5.	Salary			32,424						
6.	Benefits			5,855						
7.	Supplemental Benefits			1,988						
8.	Fixed Benefits			2,732						
9.	TOTAL PERSONAL SERVICES		01			43.0				
10.	Travel			02			7.7			
11.	Contractual			03						
12.	Commodities			04			.3			
13.	Equipment			05			1.6			
14.	Other									
15.	TOTAL COST					52.6				
16.	RECEIPT CODE	FUNDING SOURCE								
17.		Federal Receipts 1002								
18.		G.F. Match 1003								
19.		General Funds 1004				52.6				
20.		I-A Receipts 1005								
21.		Program Receipts 1028								
		Other								
FOR B&M USE ONLY KEY NUMBER _____										

This position will be responsible to hold hearings under the driver license administrative suspension program. Each time a driver's license is suspended for cancellation or termination of insurance the individual has the right to ask for a hearing, per AS-28.05.131-141. In addition to holding hearings, would have to prepare for each hearing and maintain appropriate records of each hearing.

Travel for FY86 is based on trips to the Kenai Peninsula, Palmer, Kodiak and to Southeast, all from Anchorage.

**REQUEST FOR
NEW POSITION**

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

Page of
Revised Date

FY 86

1.	POSITION TITLE Clerk Typist II				RANGE/STEP 7B	BARG. UNIT GGU	PAGE/LINE	GOV.	APPROV.	DISAPP.
2.	TYPE OF POSITION PFT	STAFF MONTHS 12	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION Anchorage	ELECTION DISTRICT 7-15	LEG.		
3.	CONTINUATION LEVEL				JUSTIFICATION					
4.	TYPE OF EXPENDITURE				AMOUNT					
	1		2		3					
	PERSONAL SERVICES									
5.	Salary		19,032							
6.	Benefits		3,489							
7.	Supplemental Benefits		1,167							
8.	Fixed Benefits		2,732							
9.	TOTAL PERSONAL SERVICES		26.4							
10.	Travel		02							
11.	Contractual		03							
12.	Commodities		04		.2					
13.	Equipment		05		2.6					
14.	Other									
15.	TOTAL COST		29.2							
	RECEIPT CODE				FUNDING SOURCE					
16.					Federal Receipts 1002					
17.					G.F. Match 1003					
18.					General Funds 1004					
19.					I-A Receipts 1005					
20.					Program Receipts 1028					
21.					Other					
FOR BEM USE ONLY										
KEY NUMBER _____										

This position would handle necessary paperwork for scheduling hearings, notifying individuals of hearing date, time and location, and keep appropriate records. Would handle most inquiries concerning hearings, and refer technical items to supervisor or hearing officer.

Would prepare documents required by the court whenever an appeal is filed. This includes "notice of parties:", "affidavits", "notice of filing of record", etc.

Would transcribe hearing records as requested and prepare certified copies of those records for courts, prosecutors, private attorneys, etc., when necessary.

**REQUEST FOR
NEW POSITION**

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

Page _____ of _____
Revised Date _____

FY 86

1.	POSITION TITLE Motor Vehicle Rep. II			RANGE/STEP 9B	BARG. UNIT GGU	PAGE/LINE	COV.	APPROV.	DISAPP.
2.	TYPE OF POSITION PFT	STAFF MONTHS 12	RP NUMBER	PCN NUMBER	RRU PRIORITY	LOCATION Fairbanks	ELECTION DISTRICT	LEG.	
3.	CONTINUATION LEVEL			ADDITION	JUSTIFICATION				
4.	TYPE OF EXPENDITURE			AMOUNT					
	1	2	3						
	PERSONAL SERVICES								
5.	Salary	24,120							
6.	Benefits	4,356							
7.	Supplemental Benefits	1,479							
8.	Fixed Benefits	2,732							
9.	TOTAL PERSONAL SERVICES	01	32.7						
10.	Travel	02							
11.	Contractual	03	7.0						
12.	Commodities	04	.1						
13.	Equipment	05	.2						
14.	Other								
15.	TOTAL COST		40.0						
16.	RECEIPT CODE	FUNDING SOURCE							
17.		Federal Receipts	1002						
18.		G.F. Match	1003						
19.		General Funds	1004	40.0					
20.		I-A Receipts	1005						
21.		Program Receipts	1028						
		Other							
FOR BSM USE ONLY									
KEY NUMBER _____									

Work public counter to issue licenses. Determine eligibility of applicants by reviewing documents presented, administering written and vision tests, etc. If applicant is eligible enter necessary data on computer terminal, and issue license.

If applicant not eligible do not issue license and explain what is necessary before license can be issued.

Assist public by answering questions concerning licensing and records.

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. II			RANGE/STEP 9B	BARG. UNIT GGU	PAGE/LINE	COV.	APPROV.	DISAPP.
2.	TYPE OF POSITION PFT	STAFF MONTHS 12	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION Juneau	ELECTION DISTRICT 4	LEG.	
3.	CONTINUATION LEVEL			ADDITION	JUSTIFICATION				
4.	TYPE OF EXPENDITURE			AMOUNT					
	1		2		3				
	PERSONAL SERVICES								
5.	Salary		21.420						
6.	Benefits		3.868						
7.	Supplemental Benefits		1.313						
8.	Fixed Benefits		2.732						
9.	TOTAL PERSONAL SERVICES		01		29.3				
10.	Travel		02						
11.	Contractual		03		7.0				
12.	Commodities		04		.1				
13.	Equipment		05		.2				
14.	Other								
15.	TOTAL COST				36.6				
	RECEIPT CODE. FUNDING SOURCE								
16.			Federal Receipts 1002						
17.			G.F. Match 1003						
18.			General Funds 1004		36.6				
19.			I-A Receipts 1005						
20.			Program Receipts 1028						
21.			Other						
FOR B&H USE ONLY									
KEY NUMBER _____									

Work public counter to issue licenses. Determine eligibility of applicants by reviewing documents presented, administering written and vision tests, etc. If applicant is eligible enter necessary data on computer terminal, and issue license.

If applicant not eligible do not issue license and explain what is necessary before license can be issued.

Assist public by answering questions concerning licensing and records.

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. II				RANGE/STEP 9B	BARG. UNIT GGU	PAGE/LINE	COV.	APPROV.	DISAPP.
2.	TYPE OF POSITION PFT	STAFF MONTHS 12	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION Anchorage	ELECTION DISTRICT 7-15	LEG.		
3.	CONTINUATION LEVEL				JUSTIFICATION					
4.	TYPE OF EXPENDITURE			AMOUNT						
	1	2		3						
	PERSONAL SERVICES									
5.	Salary	21,420								
6.	Benefits	3,868								
7.	Supplemental Benefits	1,313								
8.	Fixed Benefits	2,732								
9.	TOTAL PERSONAL SERVICES	01		29.3						
10.	Travel	02								
11.	Contractual	03		7.0						
12.	Commodities	04		.1						
13.	Equipment	05		.2						
14.	Other									
15.	TOTAL COST			36.6						
	RECEIPT CODE	FUNDING SOURCE								
16.		Federal Receipts 1002								
17.		G.F. Match 1003								
18.		General Funds 1004		36.6						
19.		I-A Receipts 1005								
20.		Program Receipts 1028								
21.		Other								
FOR B&H USE ONLY KEY NUMBER _____										

Work public counter to issue licenses. Determine eligibility of applicants by reviewing documents presented, administering written and vision tests, etc. If applicant is eligible enter necessary data on computer terminal, and issue license.

If applicant not eligible do not issue license and explain what is necessary before license can be issued.

Assist public by answering questions concerning licensing and records.

**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 IN THE HOUSE

BY SHULTZ

2 SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 68

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 liability insur-
7 ance."

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

9 * Section 1. AS 28.22.010 is amended by adding a new subsection to
10 read:

11 (d) The personal policy of liability insurance shall insure the
12 person named as insured against loss from the liability imposed on the
13 insured by law for damages arising out of the use by the insured of a
14 motor vehicle, whether or not owned by the insured, and regardless of
15 the condition, usage, or number of motor vehicle's owned by the in-
16 sured. A personal policy of liability insurance shall provide cover-
17 age within the same territorial limits and subject to the same limits
18 of liability as are required for an owner's policy of liability insur-
19 ance.

20 * Sec. 2. AS 28.22.200(a) is amended to read:

21 (a) The operator [OR OWNER] of a motor vehicle subject to regis-
22 tration under AS 28.10.01' when driven on a highway, vehicular way or
23 area, or on other public property in the state, shall be insured under
24 a [HAVE] motor vehicle liability policy [INSURANCE] that complies with
25 this chapter, or a certificate of self-insurance that complies with
26 AS 28.20.400 [IN EFFECT FOR THE MOTOR VEHICLE] unless

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

1 (A) the land-connected state highway system, or

2 (B) a highway or vehicular way with an average daily
3 traffic volume greater than 499; and

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

8 * Sec. 3. AS 28.22.210 is amended to read:

9 Sec. 28.22.210. REQUIREMENT OF PROOF OF MOTOR VEHICLE LIABILITY
10 INSURANCE. A person [THE OWNER OR OPERATOR OF A MOTOR VEHICLE] re-
11 quired to be insured under a [HAVE] motor vehicle liability policy
12 [INSURANCE] that complies with this chapter or a certificate of self-
13 insurance that complies with AS 28.20.400, shall [MUST] show proof of
14 this policy [INSURANCE] when that person

15 (1) is involved in an accident that results in bodily
16 injury to or death of a person, or damage to the property of a person
17 exceeding \$500; or

18 (2) is charged with a traffic law violation with a demerit
19 point value of six or more on the point schedule determined under
20 regulations adopted by the department under AS 28.15.221.

21 * Sec. 4. AS 28.22.600 is amended to read:

22 Sec. 28.22.600. DEFINITION. In this chapter, "motor vehicle
23 liability policy" means an owner's policy, [OR] an operator's policy,
24 or a personal policy containing an agreement or endorsement and issued
25 by an insurance carrier authorized to transact business in the state
26 to or for the benefit of the person named as insured.

ANALYSIS OF
SS HOUSE BILL 68

AS 28.22.010 is amended by adding subsection (d)

- (d) provides for liability insurance coverage without owning a vehicle to the effect he is covered within the same territorial limits and subject to the same limits of liability as are required for an owners policy of liability insurance.

Section 2. AS 28.22.200 is amended to

- (a) provide for insurance for an operator under a motor vehicle liability policy that complies with this chapter or a certificate of self insurance that complies with AS 28.20.400--unless
- (1) vehicle is being moved on a highway not connected by a land highway
 - A. the land-connected State Highway system or
 - B. a highway or vehicular way with an average daily volume greater than 499; and
 - (2) the operator has not been cited withⁱⁿ the preceding 5 years for a traffic violation and assessed demerits in the amount of 6 points or more.

Section 3 AS 28.22.210 is amended to read

a person shall be required to be insured under a motor vehicle liability policy that complies with this chapter or a certificate of self insurance that complies with AS28.20.400 shall show proof of liability when

- (1) involved in an accident resulting in bodily injury to or death

2.

of a person or damage to the property in excess of \$500.00

(2) charged with a violation involving in a loss of 6 or more points
to drivers license.

Sec. 28.22.600 provides a definition of motor vehicle liability policy.

INTRODUCTION OF BILLS (House), (cont'd)

HB 68, (cont'd)

business in Alaska, or if it is not authorized to do business, it executes a power of attorney authorizing the Director of the Division of Insurance to accept service on its behalf.

Does not provide an effective date (takes effect 90 days after Governor signs bill).

Introduced January 16 and referred to Labor & Commerce, Judiciary, then Finance.

Teachers' Retirement System (contributions & retirement)

HOUSE BILL NO. 69, by Rep. Shultz. Raises amount to be contributed to the Teachers' Retirement System from seven to nine percent. A member would be eligible for a normal retirement with 20 years of credited service, at least 15 of which have been membership service (currently the member must have 20 years of membership service).

Changes formula for figuring the monthly amount of the retirement benefit. Members with less than 10 years credited service get two percent of their average base salary times the years of credited service, including credited fractional years, divided by 12. Monthly amount of benefit for members with between 10 and 20 years credited service is two and a quarter percent (does not mention fractional years), and for members with at least 20 years is two and a half percent. The current method for figuring the monthly benefit is 2% of the average base salary during any three school years of membership service times the years of credited service, including credited fractional years divided by 12, with actuarial adjustments made for early retirement. Actuarial adjustments are made for early retirement and an indebtedness that exists at the time of retirement shall be discharged as set out in statute. Provides Act takes effect July 1, 1985.

Introduced January 16 and referred to State Affairs, then Finance.

Personal & Annual Leave (donations)

HOUSE BILL NO. 70, by the Rules Committee by Request of the Governor. Allows state employees to donate sick leave to another person (see accompanying letter). Takes effect immediately.

Introduced January 16 and referred to State Affairs, then Finance. On January 18 the Finance referral was waived at the request of Rep. Adams.

In his letter accompanying the bill Governor Sheffield stated:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to the donation of personal or annual leave by state officers and employees.

Section 1 of the bill amends AS 39.20.245(b), concerning the donation of personal or annual leave by one state worker for use as sick leave by another. Currently, the law speaks only to legislative employees. The amendment would allow the same charitable act to be accomplished by executive and judicial branch non-covered workers. State employees covered by a collective bargaining agreement are

INTRODUCTION OF BILLS (House), (cont'd)

HB 67, (cont'd)

introduced to corroborate the statement. In trial proceedings the party arguing in favor of offering the statement must inform the other side of the intention to offer it and the statement's contents sufficiently before the trial to give the other side a fair opportunity to respond.

Note: amendments are made to AS 12.40 (Code of Criminal Procedure. Grand Jury) and AS 12.45 (Trial). The changes to the statutes would have the effect of amending Rule 6(r), Alaska Rules of Criminal Procedure and Rules 803 and 804, Alaska Rules of Evidence. Does not provide for an effective date (takes effect 90 days after Governor signs bill). See Senate Bill 3, page 1, similar.

Introduced January 16 and referred to Health, Education & Social Services, Judiciary, then Finance.

Mandatory Car
Insurance
(tougher law)

HOUSE BILL NO. 68, by Rep. Shultz. Tightens up state mandatory motor vehicle insurance laws. Currently drivers are required to have motor vehicle liability insurance, but only have to show proof when involved in an accident or when charged with a traffic law violation with a demerit point value of six or more on the point schedule. Under Rep. Shultz's bill the Alaska driver would be required to have in effect, at all times, motor vehicle liability insurance, with no exemptions allowed. The driver would have to show proof of liability insurance when applying for or renewing a driver's license. Current law exempts vehicles that are driven on roads not connected to state highways or connected to a highway with average daily traffic volume greater than 499. Drivers who have been cited within the preceding five years for traffic law violations with demerit point values of six or more are also required to prove they have liability insurance.

Drivers would have to carry liability insurance that would cover any vehicle, rather than insurance that designates each vehicle covered and each driver covered. Underinsured and uninsured coverage would also be mandatory, and payment under that coverage could be made only where direct contact between the motor vehicles has occurred. The holder of an Alaska driver's license who changes insurance carriers would be required to present the new coverage to the Dept. of Public Safety, and upon notice that an insurance policy has been terminated or cancelled the Department shall suspend the license with a 30-day notice.

Repeals AS 28.22.010(b), Motor Vehicle Liability Policy. Subsection (b) states: "The operator's policy ... shall insure the person named as insured against loss from the liability imposed on the operator by law for damages arising out of the use by the operator of a motor vehicle not owned by the operator, within the same territorial limits and subject to the same limits of liability as are required for an owner's policy of liability insurance."

Repeals AS 28.22.050(b), Requirements of Policy. Subsection (b) states that the insurance policy is not in effect in Alaska unless the insurance company or surety company is authorized to do

HB 68 File Contents

March 28, 1985 Thursday

HB 68

- 1) Bill Summary -- Legislative Reporting Service
- 2) Overview -- Roger Poppe, Committee Staff
- 3) Fiscal Note, Analysis, & Backup -- Dept. of Public Safety -- January 30, 1985
- 4) Fiscal Note -- Dept. of Commerce
- 5) Position Statement HB 68 -- Dept. of Public Safety, January 28, 1985
- 6) House Research Analysis -- Heidi Paine -- December 3, 84
- 7) Alaska Statutes AS 28.22
- 8) Chapter 70 SLA 1984 (too long to include)
- 9) Bulletin 84-4 from DCED regarding changes in the law affecting automobile insurance (explains impact of the new mandatory auto insurance law (CSSHB 7) and premium increases (CSSHB 16 Fin).
- 10) Petition of 112 signatures supporting HB 68, beginning with Alice Dey; including Postscript listing some additional suggested ideas relating to this issue.
- 11) Petition with 44 signatures of support, beginning with Sharon Protzman.
- 12) POMS Supporting HB 68
- 13) Letter from Bill Brown of DPS to Rep. Shultz of January 29, with suggested amendment to HB 68.

SS HB 68 (Draft)

- 13) SS Proposed as CS -- by Shultz
- 14) Sectional Analysis of SS for HB 68 -- by Rep. Shultz
- 15) Background History for SS HB 68 -- by Shultz
- 16) Letter from Rep. Shultz to Comm. Sundberg of Feb. 27, and March 5 response
- 17) Letter from John Lucking of DPS to Rep. Shultz, March 8, 85
- 18) Testimony of Rep. Shultz on HB 68 (taken from KCAM Talk)

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: HB 68
Title: _____

FISCAL DETAIL

Agency Affected: _____
Program Category Affected: Insurance

Sponsor: Shultz
Requestor: _____
Date of Request: _____

BRU, Program or Subprogram(s) Affected: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
REVENUE	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

ANALYSIS: Attach a separate page if necessary

Prepared By: Donald P. Koch, Chief of Market Survey Phone: 465-2515
Division: Insurance Date: 1-22-84

Approved by Commissioner: Loren H. Lounsbury Date: _____
Agency: Commerce & Economic Development

Distribution (by Agency preparing fiscal note):

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

7/1/84

DEPARTMENT OF PUBLIC SAFETY

POSITION PAPER - HB-68

Opposed

January 28, 1985

HB-68, an Act relating to motor vehicle liability insurance.

The mandatory insurance bill which passed the 1984 Legislature has not even been in effect a month yet. The new law should be given some time to determine its effectiveness before making such drastic changes as outlined in this bill.

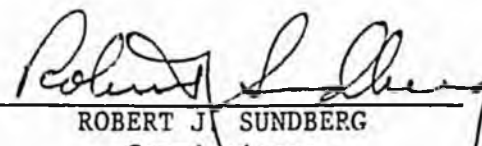
Sections 7, 8, 9, and 10 of the bill exempt several categories of drivers who probably shouldn't be exempt. This includes individuals whose driving privileges are revoked, suspended or cancelled; individuals who have never applied for a license; seasonal workers driving with an out-of-state license; military personnel who are licensed in another state; etc.

Section 7 eliminates exempt areas currently defined in present law. The Division of Motor Vehicles does not oppose eliminating these exempt areas, however we do want to point out this change.

This bill eliminates self-insurance as an alternative. These are basically filed only by large corporations and governmental agencies. It is realized that if the complete emphasis is shifted to "operator" insurance coverage, self-insurance could no longer be a viable alternative. This shift also eliminates the possibility for an individual to not own or drive a personal vehicle but drive employer vehicles only without having to purchase his or her own insurance. This shift also requires the operator or employee to purchase the expensive insurance to cover special risks rather than the owner or employer.

Section 8 requires proof of insurance at the time an individual applies for a driver's license. It appears this would include an original, duplicate or renewal. This would slow down the licensing process and create even longer lines at some of the busier locations. In 1984, approximately 175,000 driver's licenses were issued in Alaska.

The amendments in Sections 1, 9, and 11 would be quite costly to administer. DMV would be required to keep records concerning insurance on each driver. A requirement of notification is placed on insurance companies and the cost of administering this requirement is going to be passed on to the public by increasing premiums. It greatly increases the division's administrative costs since the division must take some clerical action on any termination of insurance policy. These actions will be in addition to the responsibilities imposed under the current law.


ROBERT J. SUNDBERG
Commissioner



ALASKA STATE LEGISLATURE
HOUSE OF REPRESENTATIVES
RESEARCH AGENCY

Porch Y, State Capitol
Juneau, Alaska 99811
(907) 465-3901

December 3, 1984

MEMORANDUM

TO: Representative Dick Shultz

FROM: Heidi Borson Paine^{HBP}
Legislative Analyst

RE: Mandatory Insurance of Drivers
Research Request 85-040

You requested this agency to investigate the possibility of implementing legislation requiring persons to insure their driver's licenses instead of each vehicle. Suggested areas of research were: 1) the possibility of implementing such a system and what it would entail; 2) whether or not other states have such laws; and 3) the pros and cons of insuring licenses instead of vehicles. This memorandum addresses your questions and also describes existing insurance options for persons owning more than one vehicle.

To respond to your request, I contacted the Alaska Divisions of Insurance and Motor Vehicles, as well as several insurance companies in Anchorage. I also contacted numerous national organizations, including the American Insurance Association, Alliance of American Insurers, Insurance Information Institute, National Association of Independent Insurers, and the Auto Insurance Legislation Committee of the American Bar Association.

Possibility of Legislation

According to Mary Alice Foley with the American Insurance Association, insurance based on the licensing of people instead of the number, condition or usage of vehicles is referred to as personal liability insurance. Liability insurance covers only the damage inflicted by the policy holder on other people and objects. Other types of automobile insurance such as collision or theft insurance, which insure the owners' specific vehicles against damage, could not be covered under personal liability policies. Persons wanting such coverage would have to purchase these insurance components in addition to personal liability insurance.

Representative Shultz
December 3, 1984
Page 2

Personal liability insurance based solely on driver characteristics could offer a viable alternative to liability insurance based on vehicles. Currently, most insurance companies consider both driver and vehicle characteristics when writing policies. However, some policies are now written for drivers without reference to a specific vehicle. For example, some insurance companies write liability insurance policies for persons who operate but do not own a vehicle.

However, it appears most insurance companies would not be willing to write liability policies for car owners without considering the number of cars the applicant owns. Without this information, insurers claim they would have insufficient information upon which to base their rates. According to many insurance companies, the type of car a person owns is often a reliable indicator of liability. They contend, for example, that Porsche drivers are more likely to drive fast than owners of Ford station wagons. In addition, vehicle usage and the number of cars a person owns are utilized to estimate the exposure a policy holder has to situations involving potential liability.

Consequently, insurance administrators contend they would consider information about the number, condition, and usage of an applicant's vehicles even under the proposed personal liability insurance. Some insurance administrators indicated that insurance companies would assume each policy holder owned a certain number of vehicles based on the ratio of license holders and automobiles in Alaska and would determine liability insurance rates based on that assumed number. Consequently, policy holders owning more cars than the assumed number would benefit, while those owning fewer cars would be penalized.

In addition, insurance administrators maintain that laws requiring personal liability insurance would require significant administrative changes which would probably affect insurance rates. Administrators contend such a law would require insurance companies in Alaska to design new rating systems and insurance forms, adjust their accounting systems, and change their policy options, as well as implement other administrative changes which would result in increased costs to the companies. These costs would most likely be passed on to consumers through increased rates. Furthermore, insurance companies claim they would have no financial history on which to base their premiums so they would probably raise their rates to give themselves a buffer zone.

Previous Legislation

None of the agencies I contacted were aware of any states with laws providing for driver's liability insurance based solely on the driver instead of vehicles. According to Jerry Shehan in the Government Affairs Department of the American Insurance Association, a few states

have discussed, but never seriously considered, legislation providing for such personal liability insurance. According to Don Koch, with the Alaska Division of Insurance, no such legislation has ever been proposed in Alaska.

Pros and Cons

The people most likely to benefit from insurance based on driver characteristics instead of vehicles would be individuals who are the sole owners and operators of several vehicles. However, as discussed in a previous section of this memorandum, it is uncertain that even this group would save money on their rates. It is also conceivable that such a system, if rigidly enforced, could reduce the number of uninsured motorists because every person with a driver's license would be required to purchase liability insurance.

However, this kind of legislation could also have some negative consequences. For example, such a law could drive some insurance companies out of Alaska, especially companies with small shares of the insurance market in Alaska. As of 1982, two companies, State Farm Mutual Automobile Insurance Company and Allstate Insurance Company, owned forty-two percent of the automobile insurance market in Alaska. The rest of the market is shared by over 30 small insurance companies, most of which earn less than \$1 million in premiums in Alaska. Consequently, it is unlikely that many of these companies would design new insurance rating and policy systems for Alaska alone. Furthermore, Gene Reed, Agency Manager for State Farm Insurance in Anchorage, stated that State Farm Insurance, the largest automobile insurer in Alaska, probably would not be willing to accommodate a new system of personal liability insurance in Alaska. He pointed out that State Farm has only 65,000 policy holders in Alaska compared to approximately three million policy holders in California.

Second, such a law could penalize certain groups of people. For example, in a family with one car and three drivers, each driver would have to insure his/her driver's license under this system. Consequently, the law would require the family to take out three full insurance policies even though each person's potential driving time would be less than that of a sole owner and operator of a vehicle. In addition, a law mandating driver's license insurance would force a person who has a driver's license but does not own a vehicle to purchase automobile insurance.

Third, enforcement of a law tying insurance to driver's licenses could be difficult given that licenses are renewed once every five years in Alaska while many insurance policies are issued on an annual basis.

Representative Shultz

December 3, 1984

Page 4

Drivers could be required to renew their licenses at least once a year or to pay the insurance premiums for all five years before being issued a license.

Furthermore, according to Don Koch with the Alaska Division of Insurance, if such legislation were passed, it would take years for the State to collect enough data to use as a basis for regulating insurance rates. In the meantime, the State would have no real way of determining whether insurance rates were just. Currently, insurance companies in Alaska are required to file statistics with the division supporting their current rates. Over the years, the division has developed a data base with which to test the appropriateness of automobile insurance rates. }

Existing Remedies

If the intent of legislation mandating "driver's license insurance" is to reduce the expenses and paperwork incurred by multiple vehicle owners, several remedies currently exist. For example, many companies, including Allstate Insurance Company, permit persons owning more than one vehicle to buy one policy and list all of their cars on that policy. In addition, most insurance companies offer discounts to policy holders with more than one vehicle. State Farm, for example, gives policy holders a ten percent discount on each additional car insured after the primary vehicle.

Furthermore, the new mandatory vehicle liability insurance law in Alaska, AS 28.22.200, requires automobiles to be insured only "when driven on a highway, vehicular way or area, or on other public property in the state". Consequently, a person owning multiple vehicles does not need insurance coverage for all of the vehicles unless the vehicles are all driven regularly. For example, a person who owns a recreational vehicle and uses it only in the summer could shop around for a policy insuring the vehicle for that quarter only.

Finally, Ms. Foley, with the American Insurance Association, contends the best way to lower one's automobile insurance rates is to shop around to determine which companies offer the desired coverage at the best cost. She points out that insurance companies' rates for similar policies vary significantly.

* * * * *

I hope this information is useful. Please feel free to contact me if you have any additional questions.

HBP

under a law providing for its suspension or revocation for failure to deposit security for the payment of judgments arising out of an accident under circumstances which would require the department to suspend a nonresident's operating privilege if the accident had occurred in this state, the department shall suspend the license of the resident. The suspension continues until the resident furnishes evidence of compliance with the law of the other state relating to the deposit of security. (§ 18 ch 163 SLA 1959)

NOTES TO DECISIONS

Effect of application to unlicensed drivers. — This section and AS 28.20.250 provide simply that the unlicensed driver subject to those laws "may not be licensed" until certain conditions are met; they do not use the language of "suspending" or refer to any "privilege" the unlicensed driver may have had. *Francis v. Municipality of Anchorage*, Ct. App. Op. No. 70 (File No. 5659), 641 P.2d 226 (1982).

Sec. 28.20.170. Authority of department to decrease amount of security. The department may reduce the amount of security ordered within six months after the date of the accident if in its judgment the amount is excessive. If the security originally ordered is on deposit, the excess deposit over the reduced amount ordered shall be returned immediately to the depositor or the personal representative of the depositor. (§ 19 ch 163 SLA 1959)

Sec. 28.20.180. Correction of action of department. If the department takes action or fails to take action under this chapter due to erroneous information or no information, upon receiving correct information within one year after the date of an accident the department shall take appropriate action to carry out the purposes and effect of this chapter. However, this section does not require the department to re-evaluate the amount of a deposit required. (§ 20 ch 163 SLA 1959)

Sec. 28.20.190. Custody of security. The department shall place security deposited with it in the custody of the Department of Revenue. (§ 21 ch 163 SLA 1959)

Sec. 28.20.200. Disposition of security. (a) The security deposited is available only for

(1) the payment of a settlement agreement covering a claim arising out of the accident upon instruction of the person who made the deposit, or

(2) the payment of a judgment given against the person required to make the deposit for damages arising out of the accident in an action at law begun not later than one year after the deposit of security, or within one year after the date of deposit of security following failure to make payments under an agreement to pay.

(b) Every distribution of funds from a security deposit is subject to the limits of the department's evaluation on behalf of a claimant. (§ 22 ch 163 SLA 1959)

Sec. 28.20.210. Return of deposit. (a) Upon the expiration of two years from the date of deposit of security, the security remaining on deposit shall be returned to the person who made the deposit or the person's personal representative if an affidavit or other evidence satisfactory to the department is filed with it showing that

(1) no action for damages arising out of the accident for which deposit was made is pending against the person on whose behalf the deposit was made, and

(2) there does not exist any unpaid judgment against the person in an action.

(b) This section does not limit the return of a deposit of security under any other provision of this chapter authorizing return. (§ 23 ch 163 SLA 1959; am § 6 ch 78 SLA 1982)

Effect of amendments. — The 1982 "one year" in the introductory language of amendment substituted "two years" for subsection (a).

Sec. 28.20.220. Matters not to be evidence in civil suits. The report required after an accident, the action taken by the department under this chapter, the findings, if any, of the department upon which its action is based, and the security filed shall not be referred to, and shall not be evidence of the negligence or due care of either party, at the trial of an action to recover damages. (§ 24 ch 163 SLA 1959)

NOTES TO DECISIONS

Cited in Paulson v. National Indem. Co., Sup. Ct. Op. No. 806 (File No. 1462), 498 P.2d 731 (1972).

Sec. 28.20.230. Proof of financial responsibility for the future.

(a) The provisions of this chapter requiring the deposit of proof of financial responsibility for the future apply to persons who are convicted of or forfeit bail for certain offenses under motor vehicle laws or who, by ownership or operation of a vehicle of a type subject to registration under AS 28.10, are involved in an accident in this state which results in bodily injury or death of a person or damage to the property of any one person exceeding \$500.

(b) The term "proof of financial responsibility for the future" in this chapter means proof of ability to respond in damages for liability, on account of an accident occurring after the effective date of proof, that arises out of the ownership, maintenance or use of a vehicle subject to registration under the laws of this state, in the amount of \$50,000

because of and, subsequently because of accident. tion of pr "proof of responsibility SLA 1970 ch 70 SL

Cross re requiring p for the future a r voked-1 sec AS 28.1 **Effect of** amendment

A person motor veh ence of inte furnish pro for the futu Co., Sup. C 498 P.2d 73 **Reliance** defenses. - ity insuran operator wh

Sec. 28 restricte is suspens reason, th of license state. A until pro expiration proof of fi SLA 1959

Effect of amendment revoked, li canceled for and "may no the first sen so then un financial r

authorizing a person to act as a self-insurer for either property damage or bodily injury, or both, or within the limits the department prescribes.

(c) Upon not less than 10 days' notice and a hearing pursuant to the notice, the department may upon reasonable grounds cancel a certificate of self-insurance. Failure to pay a judgment within 30 days after judgment becomes final is a reasonable ground for the cancellation of a certificate of self-insurance. (§ 42 ch 163 SLA 1959)

Sec. 28.20.410. Certificate of insurance as proof. Proof of financial responsibility for the future may be furnished by filing with the department the written certificate of an insurance carrier authorized to do business in this state certifying that there is in effect a motor vehicle liability policy for the benefit of the person required to furnish proof of financial responsibility. The certificate shall give the effective date of the motor vehicle liability policy, which shall be the same as the effective date of the certificate, and shall designate by description or appropriate reference all vehicles covered by it, unless the policy is issued to a person who is not the owner of a motor vehicle. (§ 43 ch 163 SLA 1959)

NOTES TO DECISIONS

Applicability of safety responsibility acts. — Safety responsibility acts are applicable only to those policies which are required or certified under such acts. *Hart v. National Indem. Co.*, Sup. Ct. Op. No. 387 (File No. 722), 422 P.2d 1015 (1967).

The absolute liability provisions of AS 28.20.440(f)(1) are limited by AS 28.20.440(a), which provides that such absolute liability provisions are made part of only those motor vehicle liability policies which are certified or required as proof of financial responsibility for the future. *Hart v. National Indem. Co.*, Sup. Ct. Op. No. 387 (File No. 722), 422 P.2d 1015 (1967).

Reliance by insurer on policy

defenses. — A policy of automobile liability insurance, voluntarily carried by an operator who has never been required to furnish proof of financial responsibility under the provisions of the Safety Responsibility Act, and not certified as such proof, is not required by such law and the insurer is not precluded from relying on policy defenses. *Hart v. National Indem. Co.*, Sup. Ct. Op. No. 387 (File No. 722), 422 P.2d 1015 (1967).

Quoted in *Paulson v. National Indem. Co.*, Sup. Ct. Op. No. 806 (File No. 1462), 498 P.2d 731 (1972).

Stated in *Hartsfield v. Carolina Cas. Ins. Co.*, Sup. Ct. Op. No. 531 (File No. 940), 451 P.2d 576 (1969).

Sec. 28.20.420. Certificate furnished by nonresident as proof.
(a) A nonresident may give proof of financial responsibility by filing with the department a written certificate of an insurance carrier authorized to transact business in the state in which the vehicle described in the certificate is registered, or if the nonresident does not own a vehicle, then in the state in which the nonresident resides, if the certificate otherwise conforms with this chapter; the department shall accept it upon condition that the insurance carrier complies with (b) and (c) of this section.

(b) The insurance carrier shall execute a power of attorney authorizing the department to accept service on its behalf of notice or process in an action arising out of a motor vehicle accident in this state.

(c) The insurance carrier shall agree in writing that the policy shall conform with the laws of this state relating to the terms of motor vehicle liability policies issued in this state. (§ 44 ch 163 SLA 1959; am § 44 ch 32 SLA 1971)

NOTES TO DECISIONS

Cited in Johnson v. United States Fid. & Guar. Co., Sup. Ct. Op. No. 1954 (File No. 4020), 601 P.2d 260 (1979); Anderson v. Municipality of Anchorage, Ct. App. Op. No. 89 (File No. 5318), 645 P.2d 205 (1982).

Sec. 28.20.430. Default by nonresident insurer. If an insurance carrier not authorized to transact business in this state, but qualified to furnish proof of financial responsibility in this state, defaults in an undertaking or agreement, the department shall not accept as proof a certificate of the carrier whether previously filed or thereafter tendered as proof, so long as the default continues. (§ 45 ch 163 SLA 1959)

Sec. 28.20.440. Motor vehicle liability policy. (a) In this chapter, "motor vehicle liability policy" means an "owner policy" or an "operator's policy" containing an agreement or endorsement as provided in this section, or certified as provided in AS 28.20.410 or 28.20.420 as proof of financial responsibility for the future, and issued, except as otherwise provided in AS 28.20.420, by an insurance carrier authorized to transact business in this state, to or for the benefit of the person named as insured.

(b) The owner's policy of liability insurance shall

(1) designate by description or appropriate reference all vehicles which it covers;

(2) insure the person named and every other person using the vehicle with the express or implied permission of the named insured, against loss from the liability imposed by law for damages arising out of the ownership, maintenance, or use of the vehicle within the United States or Canada, subject to limits exclusive of interests and costs, with respect to each vehicle, as follows: \$50,000 because of bodily injury to or death of one person in any one accident, and, subject to the same limit for one person, \$100,000 because of bodily injury to or death of two or more persons in any one accident, and \$25,000 because of injury to or destruction of property of others in any one accident;

(3) contain coverage in not less than the amounts set out in (2) of this subsection for the protection of the persons insured under the policy who are legally entitled to recover damages from owners or operators of uninsured or underinsured motor vehicles because of bodily injury or death, or damage to or destruction of property arising out of the

ownership, maintenance, or use of the vehicle; this coverage shall not be subject to the same limit of liability insurance as other liability insurance.

(c) The operator's policy shall insure the person named as insured against liability for damages arising out of the ownership, maintenance, or use of the vehicle not owned by the insured, but subject to the same limit of liability insurance as other liability insurance.

(d) The motor vehicle liability policy shall provide for the address of the named insured during the policy period and shall include an endorsement for coverage defined in AS 28.20.440, damage, or both.

(e) The motor vehicle liability policy shall include a workers' compensation endorsement for coverage defined in AS 28.20.440, owned by, rented, or used by the insured.

(f) Every motor vehicle liability policy shall comply with the provisions but the following:

(1) The liability coverage shall not be cancelled or annulled for injury or damage arising out of the ownership, maintenance, or use of the vehicle and no violation of any law.

(2) The satisfaction of the liability coverage is not a condition precedent to the carrier to make payment.

(3) The insurance carrier shall not require the insured and if settlement is reached, the amount shall be deductible from the policy.

(4) The policy shall provide for every rider or endorsement as provided in this chapter.

(g) A policy which provides for liability coverage shall not be subject to the coverage defined in AS 28.20.440, coverage is not subject to a policy which provides for vehicle liability insurance. This section is required by the provisions of this chapter.

(h) A motor vehicle liability policy shall reimburse the insured carrier would not be subject to a policy except for the provisions of this chapter.

ownership, maintenance or use of the uninsured or underinsured motor vehicle; this coverage shall comply with the provisions of AS 28.20.445.

(c) The operator's policy of liability insurance shall insure the person named as insured against loss from the liability imposed upon him by law for damages arising out of the use by the person of any motor vehicle not owned by him, within the same territorial limits and subject to the same limits of liability as are required for an owner's policy of liability insurance.

(d) The motor vehicle liability policy shall state the name and address of the named insured, the coverage, the premium charges, the policy period and the limits of liability, and shall contain an agreement or an endorsement that insurance is provided in accordance with the coverage defined in this chapter for bodily injury and death or property damage, or both, and is subject to all the provisions of AS 28.20.010 — 28.20.640.

(e) The motor vehicle liability policy need not insure liability under a workers' compensation law nor liability for damage to property owned by, rented to, in charge of or transported by the insured.

(f) Every motor vehicle liability policy is subject to the following provisions but these provisions need not be contained in the policy.

(1) The liability of the insurance carrier becomes absolute whenever injury or damage covered by the policy occurs; the policy may not be cancelled or annulled as to this liability after the occurrence of the injury or damage; no statement made by the insured or on his behalf and no violation of the policy defeats or voids the policy.

(2) The satisfaction by the insured of a judgment for injury or damages is not a condition precedent to the right or duty of the insurance carrier to make payment on account of injury or damage.

(3) The insurance carrier may settle a claim covered by the policy, and if settlement is made in good faith, the amount of settlement is deductible from the limits of liability specified in (b) of this section.

(4) The policy, the written application for the policy, if any, and every rider or endorsement which does not conflict with the provisions of this chapter constitute the entire contract between the parties.

(g) A policy which grants the coverage required for a motor vehicle liability policy may also grant lawful coverage in excess of or in addition to the coverage specified for a policy and the excess or additional coverage is not subject to the provisions of this chapter. With respect to a policy which grants excess or additional coverage the term "motor vehicle liability policy" applies only to that part of the coverage which is required by this section.

(h) A motor vehicle liability policy may provide that the insured shall reimburse the insurance carrier for any payment the insurance carrier would not have been obligated to make under the terms of the policy except for the provisions of this chapter.

NOTES TO DECISIONS

Cited in *Hart v. National Indem. Co.*, Indem. Co., Sup. Ct. Op. No. 806 (File No. Sup. Ct. Op. No. 387 (File No. 722), 422 1462), 498 P.2d 731 (1972). P.2d 1015 (1967); *Paulson v. National*

Sec. 28.20.640. Short title. This chapter may be cited as the Motor Vehicle Safety Responsibility Act. (§ 1 ch 163 SLA 1959)

NOTES TO DECISIONS

Cited in *Paulson v. National Indem. Co.*, Sup. Ct. Op. No. 806 (File No. 1462), 498 P.2d 731 (1972).

Chapter 22. Motor Vehicle Liability Insurance.

Article

1. Description of General Policy Provisions (§§ 28.22.010 — 28.22.050)
2. Uninsured and Underinsured Motorists Coverage (§§ 28.22.100 — 28.22.130)
3. Proof of Insurance Required (§§ 28.22.200 — 28.22.260)
4. Miscellaneous Provisions (§§ 28.22.500 — 28.22.600)

Cross references. — For declaration of legislative purpose in enacting this chapter and making related amendments in this title and AS 21, see § 1, ch. 70, SLA 1984 in the Temporary and Special Acts.

Effective date of chapter. — Section 23, ch. 70, SLA 1984, provides: "Sections 1 — 15 of this Act take effect January 1,

1985." Section 17, ch. 70, SLA 1984 repeals this chapter effective January 1, 1989.

Legislative history reports. — For conference committee letter of intent adopted by the legislature relating to ch. 70, SLA 1984 (CCSHB 7), see 1984 House Journal, p. 3520.

Article 1. Description of General Policy Provisions.

Section	Section
10. Motor vehicle liability policy	40. Proration
20. Policy provisions that are implied	50. Requirements of policy.
30. Excess or additional coverage	

Sec. 28.22.010. Motor vehicle liability policy. (a) The owner's policy of liability insurance shall

(1) designate by description or appropriate reference all vehicles that it covers;

(2) insure the person named against loss from the liability imposed by law for damages arising out of the ownership, maintenance, or use of the vehicle in the United States or Canada, subject to limits exclusive of interest and costs, with respect to each vehicle, as follows:

(A) \$50,000 because of bodily injury to or death of one person in any one accident, and, subject to the same limit for one person, \$100,000 because of bodily injury to or death of two or more persons in any one accident; and

(B) \$25,000 because of injury to or destruction of property of others in any one accident;

(3) contain coverage prescribed in AS 28.22.100 — 28.22.130 in the amounts set out in (2) of this subsection for the protection of the persons insured under the policy who are legally entitled to recover damages from the owner or operator of an uninsured or underinsured motor vehicle because of bodily injury or death, or damage to or destruction of property arising out of the ownership, maintenance, or use of the uninsured or underinsured motor vehicle.

(b) The operator's policy of liability insurance shall insure the person named as insured against loss from the liability imposed on the operator by law for damages arising out of the use by the operator of a motor vehicle not owned by the operator, within the same territorial limits and subject to the same limits of liability as are required for an owner's policy of liability insurance.

(c) The motor vehicle liability policy shall state the name and address of the named insured, the coverage, the premium charges, the policy period, and the limits of liability, and shall contain an agreement or an endorsement that insurance is provided in accordance with the coverage defined in (a) of this section for bodily injury and death or property damage, or both. (§ 13 ch 70 SLA 1984)

Sec. 28.22.020. Policy provisions that are implied. A motor vehicle liability policy is subject to the following provisions but these provisions need not be contained in the policy:

(1) The satisfaction by the insured of a judgment for injury or damages is not a condition precedent to the right or duty of the insurance carrier to make payment on account of injury or damage.

(2) The insurance carrier may settle a claim covered by the policy, and if settlement is made in good faith, the amount of settlement is deductible from the limits of liability specified in AS 28.22.010.

(3) The policy, the written application for the policy, if any, and every rider or endorsement that does not conflict with the provisions of this chapter constitute the entire contract between the parties. (§ 13 ch 70 SLA 1984)

Sec. 28.22.030. Excess or additional coverage. (a) A policy that grants the coverage required for a motor vehicle liability policy may also grant lawful coverage in excess of or in addition to the coverage specified for a policy and the excess or additional coverage is not subject to the provisions of this chapter. With respect to a policy that grants excess or additional coverage, the term "motor vehicle liability policy" applies only to that part of the coverage that is required by this chapter.

(b) A policy shall be excluded from the application of this chapter if the automobile or motor vehicle liability coverage is provided only on an excess or umbrella basis. (§ 13 ch 70 SLA 1984)

Sec. 28
provide fo
insurance

Sec. 28
tive unde
or surety
provided i
requireme

(b) A po
vehicle no
another ju
recent ren
the policy
is not auth
of attorney
accept serv
policy aris

(c) The
fulfilled by
meet the r

(d) A bir
policy fulfil

Article 2

Section

- 100. General
- 110. Maximum

Sec. 28.2
underinsur

(1) does r
insured or o
limits of lia
payments o

(2) shall l

(3) may l
rejected uni
included in
insured sub
writing.

(b) If boti
unknown, p
coverage ma
and uninsur
that has left
summed to be
appropriate

of others

30 in the
e persons
damages
ed motor
struction
e of the

the per-
i on the
erator of
rritorial
d for an

ne and
ges, the
ain an
ordance
ry and

motor
t these

r dam-
urance

policy,
ent is

, and
ons of
13 ch

that
may
erage
bject
ants
licy"
hap-

er if
y on

Sec. 28.22.040. Proration. A motor vehicle liability policy may provide for proration of the insurance with other valid and collectible insurance. (§ 13 ch 70 SLA 1984)

Sec. 28.22.050. Requirements of policy. (a) A policy is not effective under AS 28.22.010 unless it is issued by an insurance company or surety company authorized to do business in this state, except as provided in (b) of this section, and unless it complies with the limit requirements established in AS 28.22.010.

(b) A policy is not effective under AS 28.22.010 with respect to a vehicle not registered in the state or a vehicle that was registered in another jurisdiction on the effective date of the policy or the most recent renewal of it, unless the insurance or surety company issuing the policy is authorized to do business in the state, or if the company is not authorized to do business in the state, unless it executes a power of attorney authorizing the director of the division of insurance to accept service on its behalf of notice or process in an action upon the policy arising out of the accident.

(c) The requirements for a motor vehicle liability policy may be fulfilled by the policies of one or more insurance carriers who together meet the requirements.

(d) A binder issued pending the issuance of a motor vehicle liability policy fulfills the requirements for a policy. (§ 13 ch 70 SLA 1984)

Article 2. Uninsured and Underinsured Motorists Coverage.

Section	Section
100. General policy provisions	120. Policy coverage and priorities
110. Maximum liability of carrier	130. Policy coverage exclusions

Sec. 28.22.100. General policy provisions. (a) The uninsured and underinsured motorists coverage required in this chapter

(1) does not apply to bodily injury, sickness, disease, or death of an insured or damage to or destruction of property of an insured until the limits of liability bonds and policies that apply have been used up by payments or judgments or settlements;

(2) shall be a single combined coverage; and

(3) may be rejected by the insured in writing; if the insured has rejected uninsured or underinsured coverage, the coverage shall not be included in a supplemental, renewal or replacement policy unless the insured subsequently requests uninsured or underinsured coverage in writing.

(b) If both the owner and operator of the uninsured vehicle are unknown, payment under the uninsured and underinsured motorists coverage may be made only where direct contact between the insured and uninsured or underinsured motor vehicles has occurred. A vehicle that has left the scene of the accident with an insured vehicle is presumed to be uninsured if the insured person reports the accident to the appropriate authorities within 24 hours.

(c) The uninsured and underinsured motorists coverage for damage to or destruction of property is subject to a deductible of \$250 in any one accident, but the insurer may offer a deductible other than \$250. This coverage shall be limited to damage to or destruction of the insured motor vehicle. It may not include loss of use of such vehicle. (§ 13 ch 70 SLA 1984)

Sec. 28.22.110. Maximum liability of carrier. (a) The maximum liability of the insurance carrier under the uninsured and underinsured motorists coverage required under this chapter shall be the difference between the coverage limit of liability and the amount paid to the insured by or on behalf of the uninsured and underinsured motorist.

(b) Amounts payable under the uninsured motorists and underinsured motorists coverage required to be offered under this chapter shall be reduced by

- (1) amounts paid or to be paid under any workers' compensation law;
- (2) amounts paid or payable under any valid and collectible automobile medical payments insurance or bodily injury or death liability insurance; and
- (3) amounts paid by or on behalf of the uninsured or underinsured motorist. (§ 13 ch 70 SLA 1984)

Sec. 28.22.120. Policy coverage and priorities. If an insured is entitled to uninsured or underinsured motorists coverage under more than one policy of motor vehicle liability insurance, or under more than one coverage if two or more vehicles are insured under one policy, the maximum amount an insured may recover shall not exceed the highest limit of any one policy or coverage. Where multiple policies or coverages apply, payment shall be made in the following order of priority, subject to the limit of liability for each applicable policy or coverage:

- (1) a policy or coverage covering a motor vehicle occupied by the injured person at the time of the accident;
- (2) a policy or coverage covering a motor vehicle that came into contact with the insured while a pedestrian; and
- (3) a policy or coverage covering a motor vehicle not involved in the accident with respect to which the injured person is an insured or a named insured. (§ 13 ch 70 SLA 1984)

Sec. 28.22.130. Policy coverage exclusions. The uninsured and underinsured motorists coverage provided for in this chapter does not apply to bodily injury or death or damage to or destruction of property of an insured

- (1) while occupying a motor vehicle owned by, but not insured by, the named insured or the insured's spouse or relative residing in the same household; or

(2) thro
or the ins
(§ 13 ch 7

Section
200. Motor
 requir
210. Require
 cle lia
220. Method
230. Method
 a mov

**Sec. 28.
Exemptio
registratio
way or are
vehicle lia
icate of sel
motor vehi**

(1) the n
lar way, or
a land high

(A) the l
(B) a hig
greater tha

(2) the o
for a traffic
the point
department

(b) The c
the require
public insp
(§ 13 ch 70

**Sec. 28.2
insurance.
motor vehic
certificate
show proof**

(1) is inv
of a person.

(2) is cha
of six or m
adopted by t

(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.

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

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)

(c) The uninsured and underinsured motorists coverage for damage to or destruction of property is subject to a deductible of \$250 in any one accident, but the insurer may offer a deductible other than \$250. This coverage shall be limited to damage to or destruction of the insured motor vehicle. It may not include loss of use of such vehicle. (§ 13 ch 70 SLA 1984)

Sec. 28.22.110. Maximum liability of carrier. (a) The maximum liability of the insurance carrier under the uninsured and underinsured motorists coverage required under this chapter shall be the difference between the coverage limit of liability and the amount paid to the insured by or on behalf of the uninsured and underinsured motorist.

(b) Amounts payable under the uninsured motorists and underinsured motorists coverage required to be offered under this chapter shall be reduced by

- (1) amounts paid or to be paid under any workers' compensation law;
- (2) amounts paid or payable under any valid and collectible automobile medical payments insurance or bodily injury or death liability insurance; and
- (3) amounts paid by or on behalf of the uninsured or underinsured motorist. (§ 13 ch 70 SLA 1984)

Sec. 28.22.120. Policy coverage and priorities. If an insured is entitled to uninsured or underinsured motorists coverage under more than one policy of motor vehicle liability insurance, or under more than one coverage if two or more vehicles are insured under one policy, the maximum amount an insured may recover shall not exceed the highest limit of any one policy or coverage. Where multiple policies or coverages apply, payment shall be made in the following order of priority, subject to the limit of liability for each applicable policy or coverage:

- (1) a policy or coverage covering a motor vehicle occupied by the injured person at the time of the accident;
- (2) a policy or coverage covering a motor vehicle that came into contact with the insured while a pedestrian; and
- (3) a policy or coverage covering a motor vehicle not involved in the accident with respect to which the injured person is an insured or a named insured. (§ 13 ch 70 SLA 1984)

Sec. 28.22.130. Policy coverage exclusions. The uninsured and underinsured motorists coverage provided for in this chapter does not apply to bodily injury or death or damage to or destruction of property of an insured

- (1) while occupying a motor vehicle owned by, but not insured by, the named insured or the insured's spouse or relative residing in the same household; or

(2) thro
or the ins
(§ 13 ch 70

Section
 200. Motor v
 require
 210. Require
 cle liab
 220. Method o
 230. Method o
 a movin

Sec. 28.2 Exemption
 registration
 way or area.
 vehicle liabi
 icate of self-
 motor vehicl

- (1) the mo
lar way, or a
a land highv
- (A) the lan
- (B) a highv
greater than
- (2) the ope
for a traffic l
the point se
department u
- (b) The dep
the requireme
public inspect
(§ 13 ch 70 S

Sec. 28.22.: insurance. Ti
motor vehicle
certificate of
show proof of

- (1) is involv
of a person, or
- (2) is charg
of six or more
adopted by the

(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)

Sec. 28.22.220. Method of proof following an accident. (a) A person involved in an accident who is required to prove that a motor vehicle liability insurance or a certificate of self-insurance was in effect under AS 28.22.210 shall, within 15 days of the accident

(1) present a copy of the insurance policy, certificate, bond, or insurance binder that was in effect at the time of the accident to the department for inspection;

(2) provide the department with written certification from an insurance company, insurance agent, insurance broker or surplus lines broker confirming that a valid motor vehicle liability policy issued in conformity with this chapter was in effect at the time of the accident; or

(3) advise the department in writing that a certificate of self-insurance was in effect at the time of the accident.

(b) The department shall develop and implement a program to check the veracity of the documents filed for proof under this section. (§ 13 ch 70 SLA 1984)

Sec. 28.22.230. Method of proof following a charge of a moving traffic violation. (a) A person charged with a traffic law violation who is required to prove that a motor vehicle liability insurance policy or a certificate of self-insurance was in effect under AS 28.22.210 shall, at the time of that person's initial appearance in court or within 15 days of the date of the charge of a traffic law violation, whichever is later,

(1) present a copy of the insurance policy, certificate, bond, or insurance binder that was in effect at the time of the violation to the court for inspection;

(2) provide the court with written certification from an insurance company, insurance agent, insurance broker, or surplus lines broker confirming that motor vehicle liability insurance issued in conformity with this chapter was in effect at the time of the violation; or

(3) advise the court in writing that a certificate of self-insurance was in effect at the time the violation was charged.

(b) The court shall immediately report to the department any failure to present proof of insurance as provided in this section. (§ 13 ch 70 SLA 1984)

Sec. 28.22.240. Administrative suspension of drivers' licenses.

(a) If a person fails to provide proof that motor vehicle liability insurance or a certificate of self-insurance was in effect at the time of an accident or when the person was charged with a violation of a traffic law described in AS 28.22.210, the department shall suspend the driver's license of that person for the following periods:

(1) not less than 90 days if, within the preceding 10 years, the person has not previously had a driver's license suspended for violation of AS 28.22.200;

(2) not person ha times for

(b) The required l

(c) The purposes c section, if

(1) the p as require

(2) the p under this

(3) the c livelihood

not grante

(4) the d license tha

sive dange

(d) Whe shall

(1) requi

(2) issue limitation

(e) After issued und limitation

license und

(f) The c becomes ef

licensee ha

written ans

and argum

(g) Upon department

within 15 d

writing by

to sustain a

ment shall

28.05.121 -

final dispos

1984)

Sec. 28.2

vides inform

person does

servant in tl

(§ 13 ch 70

(2) not less than one year if, within the preceding 10 years, the person has previously had a driver's license suspended one or more times for violation of AS 28.22.200.

(b) The suspension shall be consecutive to any other suspension required by law or imposed by a court.

(c) The department may grant limited license privileges for work purposes only to a person whose license has been suspended under this section, if

(1) the person has filed proof of financial responsibility for the future as required by AS 28.22.260;

(2) the person's license has not been suspended two or more times under this section in the preceding 10 years;

(3) the department determines that the person's ability to earn a livelihood would be severely impaired if a limited license privilege is not granted; and

(4) the department determines that a limitation can be placed on the license that will enable the person to earn a livelihood without excessive danger to the public.

(d) When imposing a limitation under this section the department shall

(1) require the surrender of the driver's license; and

(2) issue to the licensee a certificate valid for the duration of the limitation.

(e) After the termination of a limitation as shown on the certificate issued under (d) of this section, the license of a person on whom a limitation was imposed is suspended until the person receives a new license under AS 28.15.211(c).

(f) The department shall notify the licensee that the suspension becomes effective 30 days from the date of the notice and that the licensee has the right, within the 30-day period, to make an oral or written answer controverting any point or issue, or to present evidence and arguments for the consideration of the department.

(g) Upon receipt of an oral or written answer from the licensee the department shall make findings on the matter under consideration within 15 days and shall notify the person involved of its decision in writing by certified or registered mail. If the department's decision is to sustain an action against the licensee's driver's license, the department shall notify the licensee of the opportunity for a hearing under AS 28.05.121 — 28.05.141. Suspension of a person's license is stayed until final disposition of the hearing under this section. (§ 13 ch 70 SLA 1984)

Sec. 28.22.250. Falsification of information. A person who provides information required under AS 28.22.210 — 28.22.240 that the person does not believe to be true with the intent to mislead a public servant in the performance of a duty is guilty of a class A misdemeanor. (§ 13 ch 70 SLA 1984)

Sec. 28.22.260. Proof for the future. (a) A person whose license is suspended under AS 28.22.240 must file proof of financial responsibility for the future under AS 28.20 before full driving privileges may be restored or limited license privileges are granted under AS 28.22.240(c).

(b) A filing of proof of financial responsibility under AS 28.20 shall be required for a period of three years following expiration of the suspension of license under AS 28.22.240. (§ 13 ch 70 SLA 1984)

Article 4. Miscellaneous Provisions.

Section

- 500. Policy interpretation
- 510. Separability
- 600. Definition

Sec. 28.22.500. Policy interpretation. A provision in this chapter may not be interpreted to prohibit a motor vehicle liability policy from including limitations, conditions, exceptions, exclusions, or other provisions that do not violate the requirements of this chapter or other applicable laws. (§ 13 ch 70 SLA 1984)

Sec. 28.22.510. Separability. If any provision of this chapter, or the application of a provision of this chapter to any person or circumstance, is held invalid, the remainder of the chapter and the application of the provision to persons or circumstances other than those to which it is held invalid, is not affected. (§ 13 ch 70 SLA 1984)

Sec. 28.22.600. Definition. In this chapter, "motor vehicle liability policy" means an owner's policy or an operator's policy containing an agreement or endorsement and issued by an insurance carrier authorized to transact business in the state to or for the benefit of the person named as insured. (§ 13 ch 70 SLA 1984)

Chapter 25. Protection of Blind Persons.

[Repealed, § 1 ch 19 SLA 1972.]

Chapter 30. Abandoned Vehicles.

[Repealed, § 36 ch 127 SLA 1974.]

Chapter 31. Abandoned Motor Vehicles.

[Repealed, § 3 ch 61 SLA 1976. For current law, see AS 28.11.010 et seq.]

Article

- 1. Offense
- 2. Operator
- 3. Reckless
- 4. Duties
- 5. Miscellaneous

Section

- 15. Tampering

*Sec. 28
[Repealed]*

*Sec. 28
son, with
attempt t
a vehicle*

*Collater:
2d, Autom
§§ 354, 355
61A C.J.S.
What con
with "moto
ALR2d 624*

*Sec. 28
ch 166 SL*

*Sec. 28
rent a mo
is properl
properly l
dence.*

*(b) A p
inspected
and has v*

*(c) Even
registratio
license nu
date and p
issued. Th
employee*

*(d) Even
financial r*

STATE OF ALASKA

BILL SHEFFIELD, GOVERNOR

DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT

POUCH D
JUNEAU, ALASKA 99811
PHONE: 465-2515

DIVISION OF INSURANCE

BULLETIN 84-4

TO: ALL INSURERS WRITING AUTOMOBILE INSURANCE IN ALASKA

RE: CHANGES IN THE LAW AFFECTING AUTOMOBILE INSURANCE

INTRODUCTION

On August 22, 1984, this division released Bulletin 84-3 which discussed changes in Alaska law due to the 1984 session of the Alaska Legislature. In that discussion was a brief comment about the effect of Chapter 62 SLA 1984 (CSSHB 16 Fin.) relating to premium increases which became effective on August 27, 1984, and Chapter 70 SLA 1984 (CSSHB 7), the mandatory auto insurance law which becomes effective on January 1, 1985. Questions and inquiries concerning these laws suggest the need for more of a statement than that already released.

INCREASED LIMITS

The new law requires minimum limits of \$50,000 for bodily injury to or death of one person in any one accident, and subject to the same limit for one person, and \$100,000 for bodily injury to or death of two or more persons in any one accident. It also requires \$25,000 because of injury to or destruction of property of others in any one accident.

An insurer must provide these or greater limits on all policies it has in force in this State as of January 1, 1985, as well as any renewals or new business occurring on or after that date.

Most insurers have increased limit charges filed for the new limits. Since the cost of endorsing individual policies will, in a number of cases, be greater than the additional premium due because of the change, the division will consider a waiver of that additional premium to be within activity permitted by the insurers filing and not a rebate. Insurers may charge the additional premium for the change in accordance with its rate filings. Insurers that do not have rate factors for the higher limits filed should remedy that situation promptly.

UNINSURED/UNDERINSURED MOTORISTS' COVERAGE

One area of substantial question has been the new uninsured/underinsured motorists' coverage. Each insurer, as of January 1, 1985,

must offer a coverage that is comprised of uninsured and underinsured motorists' bodily injury at limits equal to those purchased by the insured for bodily injury liability, and uninsured and underinsured motorists' property damage at a limit of \$25,000.

The coverage must be offered in parts, so that if the insured does not want a portion of the coverage, such as the property damage feature, the insured can waive it. He may wish to buy only basic limits, in which case that is the part of the offer he can accept. If the insured rejects a part or all of the coverage at basic limits, he must do so in writing. Additions of this coverage should be made on a negative response basis, i.e., add the basic limits and allow the insured to reject in writing. The insurer should not actively seek rejection of the coverage. The offer of the limits above basic limits bodily injury may be made on a negative response basis at the insurer's option.

To date, very few filings have been made to reflect the new requirements. Without a filing, insurers will be held to the minimum coverage without premium. Insurers should file rates for these changes as soon as possible.

CANCELLATION

Insurers are reminded that the limited cancellation law is still in effect and has not been changed. The increase of coverage up to the new basic limits may not be considered a basis for cancelling coverage mid term. All rules dealing with nonrenewal remain unchanged. Alaska law permits cancellation of automobile insurance only for a suspended license or nonpayment of premium.

Refusal by an insured to pay additional premium for the level of coverage required by the new law is grounds for cancellation of the policy for nonpayment of premium.

PREMIUM INCREASES

A further complication is the law dealing with premium increases to automobile insurance policies and its requirement to provide a 15 day notice prior to any increase in premium, with an explanation for the increase, and the insured's right of appeal under AS 21.39.090.

This law was principally aimed at the change in premium brought about because of a surcharge or increased premium resulting from a chargeable accident or violation. Apparently, insureds are still being charged improperly for accidents in which they were not at fault or for violations for which they were not convicted. The new law is intended to deal with that situation and, as a by-product, deals with much more.

TRADE PRACTICES

A concern the Division of Insurance has with any new legislation is what trade practices will develop that are not intended or expected results of the new law. We have attempted to anticipate the kinds of issues that might arise. All too often an insured is placed in a "Catch 22" by following the advice of his agent, broker or insurer. We urge the use of reasonable judgment.

One issue that we feel requires a positive position is that of nonrenewal by an insurer unwilling to provide the new minimum coverages required by the law for either a lack of capacity or underwriting considerations. Such actions are not to be considered a nonrenewal by the new insurer. The nonrenewing insurer is to advise the insured that for the purpose of completing an application to another carrier, the action is not a nonrenewal. Abuse of this will be dealt with under the trade practice chapter of the law.

PASSENGER EXCLUSIONS

Passenger exclusions have been permitted in this State for some time. The use of such endorsements was recognized judicially in Hart v. National Indemnity. With the advent of mandatory automobile insurance requirements, the continued use of such endorsements is subject to question. Discussions and testimony prior to passage of the legislation were generally leaning toward preservation of specific driver exclusions but not toward blanket exclusions.

Accordingly, blanket driver exclusions are no longer available for use in Alaska. Specific driver exclusions, when used, must be accepted, dated and signed by the insured. Specific driver exclusions are good for only one policy period. Unsigned driver exclusions are not valid.

Any policy on which a driver exclusion or a passenger exclusion appears must be stamped on its face with a warning in red letters not less than 1/4 inch in height. The warning shall read as follows:

WARNING

"Because of (exclusion no.....)(or)(endorsement no.....), this policy may be inadequate to satisfy the requirements of the Alaska Motor Vehicle Safety Responsibility Act or the Alaska Mandatory Insurance Law."

ASSIGNED RISK PLAN

Assuming that the new law requiring insurance has the effect of prompting persons currently driving without insurance to purchase

coverage, it is expected that there will be a short term dramatic increase in the assigned risk plan. In view of this expectation, the Division of Insurance has been working for some months to resolve and correct some longstanding issues with the pool.

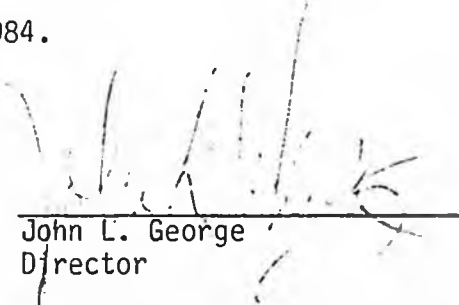
One of these situations concerns the delivery method for providing coverage and service. We hold that service delivered from the east coast is not responsive to Alaska needs. The service needs to be provided from a location in or near Alaska. To this end, the pool has agreed to install an L.A.D. (Limited Assignment Distribution) in Alaska. To date, two carriers have agreed to accept assignments, one with service facilities in Salem, Oregon, and the other with service facilities in Seattle, Washington. The approach to be used is viewed as a compromise since it is not a true servicing carrier concept and there is no direct service for underwriting in Alaska. From the viewpoint of the producer, there will be little difference from the way applications and losses have been handled in the past.

REGULATIONS

Regulations under Chapter 62 SLA 1984 to determine circumstances under which an insurer may increase the premium or add a surcharge to an automobile insurance policy have not yet been adopted, but increases necessitated by Chapter 70 SLA 1984 are obviously permitted. Anyone with comments concerning considerations in adopting such regulations should provide them in writing to the Market Surveillance Section of the Division of Insurance, Pouch D, Juneau, Alaska 99811.

Your comments need not be limited to those items accented by the recent legislative changes. We would prefer that you deal with nonautomobile items in separate correspondence.

Effective this 9th day of November, 1984.



John L. George
Director

JLG/me0078K
103084A

REP. DICK SWOLTZ
 JUNEAU, ALASKA

JANUARY 1985

WE RECENTLY READ A BRIEF BUT INFORMATIVE ARTICLE IN THE NEWSPAPER...

NO 49 MEASURE-----INSURE THE DRIVER, NOT THE VEHICLE.

WE WOULD LIKE YOU TO KNOW THAT WE BACK THIS KIND OF INSURANCE, WHEREAS,
 A VEHICLE DRIVER WOULD BUY ONE INSURANCE ON HIMSELF...NO MATTER WHAT
 VEHICLE HE/SHE MAY DRIVE OR OWN.

WE AS RESIDENTS OF THE STATE OF ALASKA STAND STRONG BEHIND THIS MEASURE.

NAME	ADDRESS	AGE	PHONE
SHARON L. PROTZMAN	6522 ROSEWOOD ST		
Sharon L. Protzman	ANC. AK. 99502	34	349-2161
	7411 WOEURN #4		
John F. Schmidt	ANC. AK. 99502	31	248-9053
John F. Schmidt	6331 AM GAVROD RD		
Ken D. Scotts	ANC. AK 99502	23	248-3837
James J. Clemons	4334 SPENARD RD		
James J. Clemons	ANC. ALASKA 99503	33	248-5300
Michael A. Bell	4334 SPENARD RD		
Michael A. Bell	ANC. AK 99503	31	
Amela C. Clemons	4334 Spenard Rd #1		
Amela C. Clemons	Anchorage, Alaska 99503	25	248-0560
Kevin W. Stewart	11501 TRAILS END RD.		
Kevin W. Stewart	99506	41	yes
Edward J. Gunn	SR 2586 W		
Edward J. Gunn	99576	42	
Bernie Matheson	4334 Spenard Rd. 99503	41	248-5300
Dwight D. L.			
D.W. CHERRIE D.L.	3441 ARCTURUS CIRCLE ANCH 99503	45	561-4421
Lillian Stempes	9409 Brighton West #301 ANCH 99503	44	344-7027
Francis E. Shomph	SAME	60	SAME
Robert E. Haulff	PO Box 10441 FRANKS AK	25	452-8913
Robert E. Haulff	110 BERKELEY CT. FRANKS	27	452-5913

354 JACK BALLEW
 JUNEAU, ALASKA

JANUARY 1985

15

I RECENTLY READ A BRIEF BUT INFORMATIVE ARTICLE IN THE NEWSPAPER...

IN A MEASURE-----INSURE THE DRIVER, NOT THE VEHICLE.

WE WOULD LIKE YOU TO KNOW THAT WE BACK THIS KIND OF INSURANCE, WHEREAS,
 A VEHICLE DRIVER WOULD BUY ONE INSURANCE ON HIMSELF...NO MATTER WHAT
 VEHICLE HE/SHE MAY DRIVE OR OWN.

WE AS RESIDENTS OF THE STATE OF ALASKA STAND STRONG BEHIND THIS MEASURE.

NAME	ADDRESS	AGE	PHONE
JACK MIZE Jack Mize	300 EGAVIK DR #1 ANCHORAGE, 99503	40	562-4991
James Winkler	15331 Pallock Dr Anch AK 99516	20	345 4725
Norman R. Child	7340 Blackberry	41	243-3645
C. Westfall	Dr Bldg 112056	34	345 3200
Stanley H. Kuster	2805 W 37th St	37	561-7017
Tom C. Ross	14th St Anchorage	24	511 2224
William M. Thompson	316 E. 22nd 14th St Anchorage	25	338-1823
Wesley A. Wyatt	WASILLA BEHAVIOR 99007	42	376 6554
Tommy Geist	1719 E. 75th Anchorage AK	25	344-4396
Fete Casanova	1200 W Diamond #1550 Anchorage Alaska 99507	27	349-9904
MARGARET STAGILL	7036 WEINER Anch AK	32	248-4997
DARRYL R. BROWN	Rd 4 111475 Anchorage AK	30	-
Searl Burnett	PO Box 60997-Fairbanks	30	907-452-6134



112
Signature

P.S.

Some other ideas from people were —

① each person should show liability insurance when getting / renewing their license to drive.

② do not wait until 1st accident over \$500.00 for insurance, also follow #1

③ motorcyclists should have to pay for only $\frac{1}{2}$ year of motorcycle liability because of our short driving season.

④ a wife + husband's driving records should be individually considered — not one penalized for another's poor driving, but each rewarded for good driving. The same for a minor.

REP. DICK BOUTE
JUNEAU, ALASKA

JANUARY 1995

WE RECENTLY READ A BRIEF BUT INFORMATIVE ARTICLE IN THE NEWSPAPER...

THE 'S MEASURE-----INSURE THE DRIVER, NOT THE VEHICLE.

WE WOULD LIKE YOU TO KNOW THAT WE BACK THIS KIND OF INSURANCE, WHEREAS,
A VEHICLE DRIVER WOULD BUY ONE INSURANCE ON HIMSELF..NO MATTER WHAT
VEHICLE HE/SHE MAY DRIVE OR OWN.

WE AS RESIDENTS OF THE STATE OF ALASKA STAND STRONG BEHIND THIS MEASURE.

NAME ADDRESS AGE PHONE

NAME	ADDRESS	AGE	PHONE
Alice A. Day	4225 Spencer Rd. #132		
Alfred Trunell	2308 W 45 th AVE		
Georgia Matthews	511 E 57 AVE		
Susan Bronette	2103 W. 46 th AVE.		
Barbara Pauline	3913 Barbara Dr. Circle		
Karla Edna Trunell	2221 Muldoon th 237	25	332-5779
Kevin J. Antin	9100 Noble Circle	27	248-6624
Nancy Turner	3306 Spencer Rd.	29	276-9166
Ketta Scott	3461 Tudor	4?	345-2401
Joseph J. Kelly	6605 Mc Gill Ave	43	248-4419
Sharon Ann	9030 EMERALD DR	26	248-3140
Ronell & Mary	6415 Legacy Ridge	38	345-5608
Sharon Miller	P.O. Box 3, 4342B Arch 99501	31	
SAM BARBER	Box 691 FAIRBANKS	43	488-9756

REP. DICK SMILTY
JURFAU, ALASKA

JANUARY 1995

WE RECENTLY READ A BRIEF BUT INFORMATIVE ARTICLE IN THE NEWSPAPER...

HE'S MEASURE----INSURE THE DRIVER, NOT THE VEHICLE.

WE WOULD LIKE YOU TO KNOW THAT WE BACK THIS KIND OF INSURANCE, WHEREAS,
A VEHICLE DRIVER WOULD BUY ONE INSURANCE ON HIMSELF, NO MATTER WHAT
VEHICLE HE/SHE MAY DRIVE OR OWN.

WE AS RESIDENTS OF THE STATE OF ALASKA STAND STRONG BEHIND THIS MEASURE.

NAME ADDRESS AGE PHONE

NAME	ADDRESS	AGE	PHONE
Bryan H. Smith	7500 DEER SP 477	29	276-2906
Michael R. Durr	639 Chugiak AK	29	688 2-755
David Estey	4511 LAUREL #11	29	563-6698
Steve Stone	4800 Cambridge Way	44	562-408
Robert McPherson	1200 PETER	27	
Cliff MacLennan	626 6145th	38	5632570
Thomas M. Port	1725 Palmer	34	
James L. Darden	2644 W NO HIGHWAY	28	
Alvin E. Nash	4225 SPENCER RD #2	63	248-1897
KEITH W. V. HARRIS	7540-A FOARINGS WAY	38	
James S. ...	3541 BANCROFT	36	243-7635
2. Mike ...	P.O. Bx 644 BACROW AVE	35	278-1717
3. Deborah S. Perkins	2905 Irumagin	31	243-5360
4. Maxine Martinez	2701 W. 32nd	22	243-7829

REV. DICK SMILETT

JANUARY 1995

JUNEAU, ALASKA

WE RECENTLY READ A BRIEF BUT INFORMATIVE ARTICLE IN THE NEWSPAPER...

HE AS MEASURE-----INSURE THE DRIVER, NOT THE VEHICLE.

WE WOULD LIKE YOU TO KNOW THAT WE BACK THIS KIND OF INSURANCE, WHEREAS,
A VEHICLE DRIVER WOULD BUY ONE INSURANCE ON HIMSELF...NO MATTER WHAT
VEHICLE HE/SHE MAY DRIVE OR OWN.

WE AS RESIDENTS OF THE STATE OF ALASKA STAND STRONG BEHIND THIS MEASURE.

NAME	ADDRESS	AGE	PHONE
Judy Songer	102 Hinzelman	37	278-4986
Janis Stolz	1739 COVENE	31	344-4789
William McDowell	2398 Walden Dr. Anchorage	49	563-7080
Stanford J. Henry	800 W 56th Ave Apt 2	56	563-4145
W. L. Kelow	Box 4 142 ANCH.	39	274-9279
Lawrence Powell	Box 110172 Anchorage AK 99511	47	349-2457
1. Stan Childs	6711 CUTTY SARK, ANCH	53	243-3755
2. Merrill Powell	Box 110172 Anchorage AK 99511	34	349-2457
Karen Peloushek	1410 Richardson 99504	25	337-8532
3. Ronald Seery	13801 Vennaway 99515	41	345-3460
1. Brian K. Rose	P.O. Box 101341 Anchorage 99510	28	563-7180
2. Phoebe Rose	P.O. Box 101341 Anchorage 99510		563-7180
3. M. Kraus	Box 875315 Wasilla AK	30	
1. Max Otay	9200 Glen Haven #1	46	243-0674

REF: DICK SCHULTZ
JUNEAU, ALASKA

JANUARY 1985

WE RECENTLY READ A BRIEF BUT INFORMATIVE ARTICLE IN THE NEWSPAPER...

THEir MEASURE----INSURE THE DRIVER, NOT THE VEHICLE.

WE WOULD LIKE YOU TO KNOW THAT WE BACK THIS KIND OF INSURANCE, WHEREAS,
A VEHICLE DRIVER WOULD BUY ONE INSURANCE ON HIMSELF..NO MATTER WHAT
VEHICLE HE/SHE MAY DRIVE OR OWN.

WE AS RESIDENTS OF THE STATE OF ALASKA STAND STRONG BEHIND THIS MEASURE.

NAME	ADDRESS	AGE	PHONE
Richard Boyles	3105 Cheechako	42	563-6182
Frank Bruckner	Eagle Ave	48	694-9515
Gudy Nelson	E. 46th	33	561-3517
William Baird	2221 Muldoon #133	52	333-4483
Jean Bailey	2221 Muldoon #133	49	333-4483
Thoyd W. Wilgo	4000 Coventry Dr	50	562-3281
Angus W. Brackley	2150 Parallel	over =1	---
Virginia Brackley	2150 Parallel	over 21	---
George Duesch	1001 Boniface sp 16 N	42	333-6610
Robell Duesch	1001 Boniface sp 16 N	36	333-6610
Fredrick Sundt	3827 E 48th ANCH	41	563-6638
Teresa Sundt	3827 E 48th ANCH	35	563-6638
Alfred Dahl	947 W 73rd Ave Anch	33	349-3364
Jesse Ross Adams	P.O. Box 781 Crowell, TX 79227		

REP. DICK SMOLTS
UNFAU, ALASKA

JANUARY 1995

WE RECENTLY READ A BRIEF BUT INFORMATIVE ARTICLE IN THE NEWSPAPER...

HE AS MEASURE----INSURE THE DRIVER, NOT THE VEHICLE.

WE WOULD LIKE YOU TO KNOW THAT WE BACK THIS KIND OF INSURANCE, WHETHER,
A VEHICLE. DRIVER WOULD BUY ONE INSURANCE ON HIMSELF, NO MATTER WHAT
VEHICLE HE/SHE MAY DRIVE OR OWN.

WE AS RESIDENTS OF THE STATE OF ALASKA STAND STRONG BEHIND THIS MEASURE.

NAME ADDRESS AGE PHONE

NAME	ADDRESS	AGE	PHONE
Mike Schaffer	ANK. ALASKA. 3900 FIREBUSH ST #104	72	583-7497
Rosalee Burjan	Box 3-4057 Anch. AK 99501	27	—
Pete Vallejo	3021 DeArman Rd Anchorage, AK 99516	38	345-2874
Jim King	POB X 3-4057 Anch. AK 99501	84	344-2285
Dan Wright	Box 104901 ANC AK 99510	34	345-5120
Bill Davis	3605 ARCTIC #885 Anch AK 99503	28	522-2161 X885
Dale Klee	7853 SPRUCE (C.H.I.)	44	349 1947
Donald Johnson	2351 Tann	40	338-2637
Melvin Lumme	1317 E 7th Anch AK	48	349 1439
Tom Nicklas	POB 874189 Wasilla AK	61	376 4188 1275
Harriet Cassidy	801 Airport Hts #173 Anch AK	64	279-7191
Dash Latson	330 N. Price	23	—
Ronnie M. Smith	3605 ARCTIC BLVD #885	31	522-2161 ext. 885
L. Qui Rogers	1532 Rosewood	24	344-0778

REF: DICK DODDYS
 JUNEAU, ALASKA

JANUARY 1995

WE RECENTLY READ A BRIEF BUT INFORMATIVE ARTICLE IN THE NEWSPAPER...

HE IS MEASURE----INSURE THE DRIVER, NOT THE VEHICLE.

WE WOULD LIKE YOU TO KNOW THAT WE BACK THIS KIND OF INSURANCE, WHEREAS,
 A VEHICLE DRIVER WOULD BUY ONE INSURANCE ON HIMSELF, NO MATTER WHAT
 VEHICLE HE/SHE MAY DRIVE OR OWN.

WE AS RESIDENTS OF THE STATE OF ALASKA STAND STRONG BEHIND THIS MEASURE.

NAME	ADDRESS	AGE	PHONE
Errol G Protzman	6522 Rosewood Anch.	35	349-2161
Edwin F Hubert	1578 PRIMROSE ST	32	276-8475
JACK B. Cottrell	3403 DORBRANDT Anch.	35	248-5398
David G Longolas	3403 DORBRANDT	37	561-2246
Tom M... 1st of Hidden	1315 Dead End Lane 94549	42	561-5549
Julian Welch	6532 Primrose Anch AK 99502	35	344-0778
THERESA VOINES	4410 E 75th AVE	40	276-5990
David Martin	4803 Milliken #5	32	245-5131
Jennifer Powers	" " "	25	" "
MICHAEL S. HORN Michael L. Horn	3404 COPE	34	562-5676
PAUL HIBBITS	3605 ARCTIC BVD #1792 ANCH AK	36	745-8816
Barbara A. Hook	Box 825627, Wasilla, AK	21	745-8816
3. Ron J. Meyer	852 W 72nd	39	349-2942
PERRY K. HUBERT	1578 PRIMROSE	26	276-8475

REP. DICK CHAMBERLAIN
JUNEAU, ALASKA

JANUARY 1985

WE RECENTLY READ A BRIEF BUT INFORMATIVE ARTICLE IN THE NEWSPAPER...

WE'VE MEASURED---INSURE THE DRIVER, NOT THE VEHICLE.

WE WOULD LIKE YOU TO KNOW THAT WE BACK THIS KIND OF INSURANCE. WHEREAS,
A VEHICLE DRIVER WOULD BUY ONE INSURANCE ON HIMSELF...NO MATTER WHAT
VEHICLE HE/SHE MAY DRIVE OR OWN.

WE AS RESIDENTS OF THE STATE OF ALASKA STAND STRONG BEHIND THIS MEASURE.

NAME	ADDRESS	AGE	PHONE
LEON SARKISSIAN	1584 NORBINE	36	562 6467
William M. Gennerson	Anchororage 3307 Bradford Ave #53	42	523-3758
Annelise Linkom	4227 Dorothy DR.	28	337-4672
Douglas R. Miller	8801 PIONEER DR.	30	338-0605
Colleen Krating	-99577- PO Box 722304, Eagle River	20	mess. 272-0477
Carl A. Johnson	7800 DEBBIE 475	45	353-4272
Joseph V. Matthews	BOX 53 ELEANORA ST. Eagle River 99597	38	694-5549
Paul R. Orr	1013 E DEAN BLVD 4521 Anchororage, AK 99515	39	345-4354
David Crandall	1201 Sunrise Hwy 16-0 Anchororage 99514	34	
Lois CLAIBORNE	5711 TONGA ST. Anchororage AK - 99507	41	907-562-5446
Clarence T. Beabout	PO BOX 8158 ANCH, AK 99508	53	907-3450711
Col. W. Man	11720 NIX CT. ANCHORAGE AK	40	349-6755
John A. Ordery	1280 SOUTHAMPTON. ANCHORAGE AK 99503	47	5625126
Francis F. Fio	1686 Jewell Dr ANCH AK 99502	21	272-3701

REP. DICK SMOLYK
 JUNEAU, ALASKA

JANUARY 1995

Mrs J.L. P...
 6522 ...
 Ave. Anchorage

WE RECENTLY READ A BRIEF BUT INFORMATIVE ARTICLE IN THE NEWSPAPER...

THE MEASURE-----INSURE THE DRIVER, NOT THE VEHICLE.

WE WOULD LIKE YOU TO KNOW THAT WE BACK THIS KIND OF INSURANCE, WHEREAS,
 A VEHICLE DRIVER WOULD BUY ONE INSURANCE ON HIMSELF. NO MATTER WHAT
 VEHICLE HE/SHE MAY DRIVE OR OWN.

WE AS RESIDENTS OF THE STATE OF ALASKA STAND STRONG BEHIND THIS MEASURE.

NAME	ADDRESS	AGE	PHONE
1. Bob Lemmons	1009 E. C. h. h. e. # C	33	278-3371
Mary Ann Ostrut	P.O. Box 1143 Homer, Ak	53	235-6211
2. Patricia C Mirzele	6503 Rosewood	62	349-7250
Carol Nedowicz	4303 North Star St, Anch Ak	37	561-0645
3. Gary Sheen	5637 Salmon Anchorage Ak	40	---
Virginia Miller	4515 E 8th Anchorage Ak	45	538-2020
1. J. Buchanan	P.O. Box 87-2046 Wasilla	41	376-4657
2. Kelly (Mrs) Young	P.O. Box 722 Girdwood, AK 99587	38	783-2717
Ellen O'Malley	2906 W. 29th St Anchorage AK 99503	30	248-4576
3. Margaret Chiles	2348 Success Dr. Anchorage AK 99504	43	337-4510
1. Denise Schmidt	P.O. Box 4-491 Anchorage AK 99509	31	3495708
2. Susan Protzman	8701 Blackwood Anchorage AK 99502	27	243-2315
3. Randy C Cook	2171 West 42th Anch	25	562-4512
4. Edith Henshaw	ANCH AK	34	561- 8466 8466

REP DICK SMOLTS

JANUARY 1985

JUNEAU, ALASKA

WE RECENTLY READ A BRIEF BUT INFORMATIVE ARTICLE IN THE NEWSPAPER...

THE '85 MEASURE----INSURE THE DRIVER, NOT THE VEHICLE.

WE WOULD LIKE YOU TO KNOW THAT WE BACK THIS KIND OF INSURANCE, WHEREAS, A VEHICLE DRIVER WOULD BUY ONE INSURANCE ON HIMSELF...NO MATTER WHAT VEHICLE HE/SHE MAY DRIVE OR OWN.

WE AS RESIDENTS OF THE STATE OF ALASKA STAND STRONG BEHIND THIS MEASURE.

NAME	ADDRESS	AGE	PHONE
SHARON L. PRITZMAN Sharon P Pritzman	6522 ROSEWOOD ST ANCH. AK. 99502	34	349-2161
John F Schmitt	7411 WOBURN #4 ANCH. AK 99502	31	248 4053
Don B Smith	6531 AM GARD RD ANCH. AK 99502	23	248-3837
Dennis J Clemens	4334 SPENARD RD ANCH. ALASKA 99503	33	248-5300
Michael A. Bell	4334 SPENARD RD ANCH. AK 99503	31	---
Amela C Clemens	4334 Spenard Rd #1 Anchorage, Alaska 99503	25	248-0560
Benny W. Haggerty	11501 TRAILS END RD. ANCH. AK 99571	41	yes
Gregory J. Haggerty	SR 2586 64 ANCH. AK 99576	42	
Benny W. Haggerty	4334 Spenard Rd. 99503	41	248-5300
D.W. Chertie D.C. D.W. CHERTIE D.C.	3441 ARTHURUS CIRCLE ANCH 99503	45	561-4421
Lillian Shampier	9449 Brighton Rd #301 ANCH 99503	44	344-7027
Francis E. Shampier	SAME	60	SAME
Robert E. Haggerty	PO Box 10441 PRBKS AK	25	452-8913
Jim P. Haggerty	110 BERKELEY CT. FBKS	27	452 8913

REP. DIS. 3-1-75
 JUNEAU, ALASKA

JANUARY 1975

WE RECENTLY READ A BRIEF BUT INFORMATIVE ARTICLE IN THE NEWSPAPER...

HE'S MEASURE----INSURE THE DRIVER, NOT THE VEHICLE.

WE WOULD LIKE YOU TO KNOW THAT WE BACK THIS KIND OF INSURANCE, WHEREAS,
 A VEHICLE DRIVER WOULD BUY ONE INSURANCE ON HIMSELF...NO MATTER WHAT
 VEHICLE HE/SHE MAY DRIVE OR OWN.

WE AS RESIDENTS OF THE STATE OF ALASKA STAND STRONG BEHIND THIS MEASURE.

NAME ADDRESS AGE PHONE

NAME	ADDRESS	AGE	PHONE
<i>Frederick W. Kenney</i>	906 W 20 th Ave. Anchorage AK 99503	45	—
<i>Michael [unclear]</i>	4927 W-80 th Trl	35	243-1208
<i>Charles [unclear]</i>	3810 CAROLINA DR	35	248-4281
<i>Karen Matthews</i>	12580 Astorland Anchorage	31	349-2893
<i>[unclear]</i>	4403 Spruwell Anchorage AK	29	243-365
<i>JOE WELSH</i>	8001 E 3rd Ave #4	34	333-7278
<i>Diane Baumgartner</i>	530 Fairbanks St 99501	33	276-4072
<i>Dan [unclear]</i>	12730 HACE ST ANCH.	29	345-5314
<i>[unclear]</i>	3521 Telstar Anch AK	25	243-0221
<i>[unclear]</i>	1421 E 17 th #4 99501	25	279-5060
<i>Wendy [unclear]</i>	1230 HACE ST Anch	26	345-5314
<i>Howard Shepherd</i>	328 BENEFICE #244 Anch.	39	—
<i>Kenneth [unclear]</i>	1423 "P" Street Anch.	41	278-4257
<i>[unclear]</i>			

REP. DIOR SULTZ

JANUARY 1985

JUNEAU, ALASKA

HE RECENTLY READ A BRIEF BUT INFORMATIVE ARTICLE IN THE NEWSPAPER...

HE AS MEASURE----INSURE THE DRIVER, NOT THE VEHICLE.

WE WOULD LIKE YOU TO KNOW THAT WE BACK THIS KIND OF INSURANCE, WHEREAS, A VEHICLE DRIVER WOULD BUY ONE INSURANCE ON HIMSELF..NO MATTER WHAT VEHICLE HE/SHE MAY DRIVE OR OWN.

WE AS RESIDENTS OF THE STATE OF ALASKA STAND STRONG BEHIND THIS MEASURE.

NAME	ADDRESS	AGE	PHONE
JACK MIZE <i>Jack Mize</i>	300 EGAVIK DC #1 ANCHORAGE, 99503	40	562-4491
<i>James W. Winkler</i>	15331 Pallock Dr Anch AK 99516	20	345 4975
<i>Walter H. Cole</i>	7340 Blackberry	41	243-3645
<i>C. Westfall</i>	PO Box 112056	34	345-3203
<i>Danilo Horvath</i>	2805 W 3rd St #3	37	561-9017
<i>Tom C. Rocher</i>	1803 Cleveland St.	28	561-2629
<i>J Scott Montgomery</i>	316 EKLUTNA Box 87-2261	35	338-1873
<i>LEE A. WYATT</i>	WASILLA, ALASKA 99687	42	376 6554
<i>Lennie Geist</i>	1919 E. 75th Anchorage AK	25	344-4396
<i>Pete Casanova</i>	1200 W. Diamond #550 Anch, Alaska 99515	27	349-9904
<i>MARLBRET STURGILL</i>	7036 WEINER ANCH AK	32	248-4997
<i>DARRYL R. BROWN</i>	Box 111475 Anchorage AK	30	—
<i>Sean Burnett</i>	PO Box 60997-Fairbanks	30	907-452-613
4.			



Telegram

W.D. 11/11/50

PCP ANCHORAGE ALASKA 12 01-17 1940 1ST

PMS

REPRESENTATIVE DICK SCHULTZ

JUNEAU AK

YOUR IDEA ON AUTOMOBILE LIABILITY INSURANCE IS THE BEST THING
- WE HAVE EVER HEARD OF.

JAY AND JAN KERN

PO BOX 110147

ANCHORAGE AK 99511

*****;
*
* DELIVER TO: JPOM *
* *
* ORIGINAL *
* SENT: 01/21/85 TIME: 11:03 *
* FROM: LIOGLN *
* SUBJECT: POM *
* PRINT DATE: 01/21/85 TIME: 11:03 *
* *

***** PUBLIC OPINION MESSAGE *****

TO: REP. SHULTZ-----
FROM: ED KNOEBEL
BOX 84
GLENNALLEN, ALASKA 99589
822-3208 (HOME)
RE: HB 68-----

THAT IS GOOD, I NEED SOMETHING LIKE THAT. I HAVE BEEN TRYING TO GET THIS TYPE, AND HAVE NOT BEEN ABLE TO FIND ANYONE THAT SELLS SOME. I HAVE MORE THAN ONE VEHICLE BUT CAN ONLY DRIVE ONE AT A TIME, I HAVE WANTED TO GET INSURANCE ON ME, FOR I DRIVE.

EOM

* FROM: LINDSEY
* SUBJECT: VECO LOBBYISTS
* PRINT DATE: 01/18/85 TIME: 16:06
*

TO: JUNEAU INFO

FROM: SUSAN ELLEDGE SOLDOTNA

P. O. M.

TO: ALL SENATORS AND ALL REPRESENTATIVES

FROM:
TOM PATMOR
BOX 124
CLAM GULCH, AK 99568

MESSAGE: LAST YEAR VECO LOWERED THEIR EMPLOYEES WAGES BY 5.00 PER HOUR. VECO WOULD LIKE TO GET THEIR EMPLOYEES WAGES DOWN TO AT LEAST MINIMUM WAGE. HAS ED DANKWORTH SCHEDULED A VOTE ON WHEATHER OR NOT ALASKA WILL BECOME A RIGHT TO WORK STATE, BEWARE OF THAT MAN.

E.O.M.

FROM: JACQUI GORLICK
1501 WEST 41ST
ANCHORAGE, AK. 99503 PHONE: 563-1962 HOME

RE: HB 18

I STRONGLY SUPPORT PASSAGE OF HB 18 AND RECOMMEND CHANGE IN THE BILLS WORDING TO READ "EACH SCHOOL DISTRICT SHALL PROVIDE ANNUAL IN-SERVICE TRAINING OF TEACHERS AND PRINCIPALS." CURRENT WORDING PLACES RESTRAINT ON THE DISCRETION OF THE INDIVIDUAL SCHOOL DISTRICTS IN DETERMING THE AMOUNT OF TIME NECESSARY FOR TRAINING.

FROM: BROTHER TOM DATMOR
P.O. BOX 124
CLAM GULCH, AK 99568

MESSAGE: I WISH I COULD AFFORD TO TRAVEL BUT I CANT AFFORD LIABILITY INSURANCE. TOO BAD THE CONSTITION WAS WRITTEN FOR THE RICH. INSURING DRIVERS RATHER THAN VEHICLES WOULD DO MORE TO GET BAD DRIVERS OFF THE ROADS I'D RATHER RIDE WITH A GOOD UNINSURED DRIVER THAN A BAD INSURED DRIVER

E.O.M.

*
* DELIVER TO: JPOM *
* *
* *
* ORIGINAL *
* SENT: 03/04/85 TIME: 16:18 *
* FROM: MARTIE ROZKYDAL *
* SUBJECT: FOM - MATR-0076 *
* PRINT DATE: 03/04/85 TIME: 16:18 *
*

TO: ALL LEGISLATORS

FROM: DALE WILLHITE
SRA BOX 6640
WASILLA 99687
376-6715

RE: HB 68, MANDATORY INSURANCE FOR VEHICLES

FARMERS, OTHERS OWNING MULTIPLE VEHICLES, FIND COSTS OF INSURING ALL VEHICLES EXCESSIVE. I STRONGLY SUPPORT A LIABILITY COVERAGE ON DRIVER SO THAT AN OWNER CAN AFFORD TO DRIVE THE VEHICLES THAT ARE ONLY USED A COUPLE OF TIMES A YEAR.

SR © MBF v Patents 1016,308, 3,479,117 Moore Business Forms, Inc.

TO: ALL LEGISLATORS

FROM: MARILYN CONNELL
PO BOX 235
WILLOW 99688

495-6217

RE: HB 67

HB 67 IS ONE OF THE MOST DANGEROUS PIECES OF LEGISLATION I'VE EVER HEARD OF. I DON'T SEE ANY REASON TO JUSTIFY THE LEGISLATORS OF THIS STATE REDUCING MY PERSONAL LIBERTY OR CONSTITUTIONAL RIGHTS BY ADMITTING HEARSAY EVIDENCE UNDER ANY CIRCUMSTANCES. STRONGLY URGE VOTE AGAINST IT.

FROM: JOAN ALEXANDER, 3082 N. CIRCLE, ANCHORAGE, 99507,
344-2904(HM)

RE: GOVERNOR SHEFFIELD'S APPOINTMENT

I AM ALARMED BY GOVENOR SHEFFIELD'S APPOINTMENT OF MR. BILL ROSS A SOCIALIST AS COMMISSIONER OF THE STATE DEPT. OF ENVIRONMENTAL CONSERVATION. SURELY THERE MUST BE QUALIFIED LEADERS OTHER THAN SOCIALISTS TO FILL THIS INFLUENTIAL POSITION. MY REQUEST IS TO REMOVE MR. ROSS IMMEDIATELY. PLEASE ADVISE ME OF YOUR ACTIONS.

FROM: DRIANNE REICH/HAROLD OLSON
P O BOX 870269
WASILLA 99687
POINT MACKENZIE

RE: HB 68

WE ARE IN SUPPORT OF THE INSURANCE BILL-HB 68.

*Drick!
look @ these!*

MATC 22*****

TO: SENATORS KERTTULA & DEVRIES
REPRESENTATIVES SHULTZ, HURLEY, LARSON, HANLEY, M M MILLER,
SUND, GRUENBERG, TAYLOR

FROM: JOSEPH A JOHNSON 376-5476
P O BOX 870829
WASILLA 99687

RE: HB 68, MANDATORY INSURANCE OF DRIVER

I AM VERY MUCH IN FAVOR OF HOUSE BILL 68. THE INSURANCE INDUSTRY
IN THE STATE OF ALASKA IS LONG OVERDUE FOR REFORM.

*What are we going to do
w/ the bill - seems like
more interest has been
generated on this bill*

11 1

* DELIVER TO: JPOH *
* *
* ORIGINAL *
* SENT: 02/14/85 TIME: 15:05 *
* FROM: CHARLOTTE CREMER *
* SUBJECT: FIVE POM RE HB 68 FROM MAT-SU *
* PRINT DATE: 02/14/85 TIME: 15:05 *
* *

01

MATC

20*****

TO: SENATORS DEVRIES, KERTTULA
REPRESENTATIVES HURLEY, LARSON, SHULTZ, NAVARRE, DAVIS,
KOPONEN, BOUCHER

FROM: VALERIE AADSEN 376-2141
S R 2100
WASILLA 99687

RE: HB 68-MANDATORY INSURANCE FOR THE DRIVER

I SUPPORT HB 68 AND WISH YOU WOULD TOO.

↑

↑
MATC 23*****

TO: SENATORS KERTTULA AND DEVRIES
REPRESENTATIVES SHULTZ, LARSON, HURLEY, COTTEN, V FISCHER,
ABOON

FROM: DELL C DODGE 892-7930
S R BOX 2661
WASILLA 99687

RE: HB 68, MANDATORY INSURANCE FOR THE DRIVER

I BELIEVE INSURING THE PERSON RATHER THAN THE VEHICLE IS THE BEST
APPROACH.

MATC 24*****

TO: SENATORS DEVRIES, KERTTULA
REPRESENTATIVES SHULTZ, HURLEY, LARSON, PHILLIPS, NAVARRE

FROM: P SHULTZ 376-2883
P O BOX 1004
WASILLA 99687

RE: HB 68, MANDATORY INSURANCE FOR DRIVER

I CONSIDER THE IDEA OF INSURING THE PERSON AS OPPOSED TO THE
VEHICLE FOR LIABILITY IN CASE OF ACCIDENT TO BE A GOOD APPROACH.

MSB (S) MSB v Patent 2010 Jun 13 420 877 Moore and New / Dims

HATC 21*****

TO: SENATORS KEFITULA & DEVRIES
REPRESENTATIVES LARSON & HURLEY, SHULTZ, PEARCE, COLLINS,
PETTYJOHN

FROM: K E AADSEN 376-2141
P O BOX 2100
WASILLA 99687

RE: HB 68

I URGE YOUR ACTIVE SUPPORT FOR HOUSE BILL 68.

110 JUN 3 4 1967 Moore Business Forms, Inc.

* DELIVER TO JFOR *
* ORIGINAL *
* SENT: 03/01/85 TIME: 11:36 *
* FROM: LISA *
* SUBJECT: FGM *
* PRINT DATE: 03/01/85 TIME: 11:36 *

TO: ALL LEGISLATORS

FROM: ELIZABETH SCHNEIDER
P.O. BOX 4-2104
ANCHORAGE, AK. 99509
PHONE 278-1408

RE: HB 118

PLEASE PASS AS TWO THOUSAND DOLLARS IS NOT WORTH MUCH ANYMORE, PLEASE RAISE TO FIVE THOUSAND.

TO: ALL LEGISLATORS

FROM: ELIZABETH SCHNEIDER
P.O. BOX 4-2104
ANCHORAGE, AK. 99509
PHONE 278-1408 HM

RE: HB 68

PLEASE PASS HB 68 AS DRIVER AND NOT THE CAR IS RESPONSIBLE FOR ACCIDENTS. WE FEEL THE INSURANCE SHOULD BE ON THE PERSON AND NOT ON THE CAR.

%%
- 3/01

TO: ALL LEGISLATORS

FR: JOHN HORAN
P O BOX 871496
WASILLA 99687
376-5928

RE: SP 135 - LAND SURVEYS

THIS BILL IS LONG OVERDUE. I SUPPORT IMMEDIATE PASSAGE OF THIS LEGISLATION. THANK YOU.

MP (6) MF + Potent 3.010.308.3.479.877 Moore Business Forms, Inc.

MP (6)

* ORIGINAL *
* SENT: 02/06/85 TIME: 15:51 *
* FROM: CHARLOTTE CREMER *
* SUBJECT: POM MATC## *
* PRINT DATE: 02/06/85 TIME: 15:51 *
* *

HELLO JUNEAU INFO; HERE ARE POM'S: THE FIRST THREE TO THE SAME LEGISLATORS RE HB 68. THE OTHERS REGARDING DIFFERENT MATTERS.

MATC 10

TO: REPRESENTATIVES SHULTZ, HURLEY, LARSON, NAVARRE, DAVIS, BOUCHER, KOPONEN, PEARCE, COLLINS, HANLEY, M M MILLER, SUND, GRUENBERG, TAYLOR, CLOCKSIN, PETTYJOHN, PHILLIPS AND SENATORS DEVRIES AND KERTTULA

FROM: RON PALMER 376-5721
P O BOX 870145
WASILLA 99687

RE: HB 68
PLEASE SUPPORT HB 68 AS SPONSORED BY REP SHULTZ. THANK YOU.

MATC11

TO: REPRESENTATIVES SHULTZ, HURLEY, LARSON, NAVARRE, DAVIS, BOUCHER, KAPONEN, PEARCE, COLLINS, HANLEY, MM MILLER, SUND, GRUENBERG, TAYLOR, CLOCKSIN, PETTYJOHN, PHILLIPS, AND SENATORS DEVRIES AND KERTTULA

FROM: LINDA J JENSEN 745-4564
PO BOX 871786
WASILLA 99687

RE: HB 68
I AM IN FAVOR OF HB 68.

MATC 12

TO: REPRESENTATIVES SHULTZ, HURLEY, LARSON, NAVARRE, DAVIS, BOUCHER, KOPONEN, PEARCE, COLLINS, HANLEY, M M MILLER, SUND, GRUENBERG, TAYLOR, CLOCKSIN, PETTYJOHN, PHILLIPS, AND SENATORS DEVRIES AND KERTTULA

FROM: JOHN B BROWNING 376-6146
PO BOX 874089
WASILLA 99687

RE: HB 68
I AM IN FAVOR OF HOUSE BILL 68 SPONSORED BY SHULTZ. THANK YOU.

MATC13

STATE OF ALASKA

DEPARTMENT OF PUBLIC SAFETY

DIVISION OF MOTOR VEHICLES

BILL SHEFFIELD, GOVERNOR

P.O. BOX
JUNEAU, ALASKA 99802-0020

PHONE: 465-4335

January 29, 1985

*Jack
File
14 B 64*

Representative Dick Shultz
Alaska House of Representatives
State Capitol, Pouch V
Juneau, AK 99811

Dear Representative Shultz:

You expressed a desire to have Chapter 22 of Title 28 amended to exempt operators who were driving an employer's vehicle and asked for a recommendation on how that could be accomplished.

I believe one alternative would be to add a Subsection (..) to Section 28.22.240 to reflect:

"If the driver at the time of an accident was driving in the course and scope of employment a vehicle owned, operated or leased by the driver's employer, the suspension provisions of this chapter apply to the employer and do not apply to the driver".

As worded, the above amendment would only exempt the employee in the case of an accident and would not exempt the employee if the employee was charged with a violation of traffic law.

If I can be of further assistance, please let me know.

Sincerely,



BILL BROWN
Chief of Driver Services

BB/nb

BACKGROUND FOR
SS HOUSE BILL 68

THE PURPOSE OF THIS BILL IS TO PROVIDE AN ALTERNATIVE TO THE PRESENT METHOD OF PURCHASING MANDATORY LIABILITY INSURANCE. IT IS DESIGNED FOR THE DRIVER WHO OWNS NUMEROUS VEHICLES BUT ONLY DRIVES THEM A PART OF THE YEAR. WE FEEL IT IS THE DRIVER WHO NEEDS THE LIABILITY INSURANCE AND NOT THE VEHICLE. THERE ARE INSURANCE COMPANIES TODAY WHO WRITE LIABILITY INSURANCE POLICIES FOR PERSONS WHO OPERATE BUT DON'T OWN A VEHICLE. THE BILL HAS A LARGE GROUP OF SUPPORTERS WHO ARE IN THE CATEGORY OF OWNING A LOT OF VEHICLES BUT ONLY DRIVE THEM FOR SHORT PERIODS DURING THE YEAR. THIS BILL IS MEANT TO BE A VIABLE ALTERNATIVE ONLY FOR OBTAINING LIABILITY INSURANCE AND IS NOT MEANT TO REPLACE ANY OTHER INSURANCE PROGRAM PRESENTLY IN EFFECT.

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

Revision Date: _____

REQUEST

Bill/Resolution No.: CSHB 68 (I&C)
 Title: An Act relating motor
vehicle liability insurance

Sponsor: Labor and Commerce
 Requestor: Labor and Commerce
 Date of Request: _____

FISCAL DETAIL

Agency Affected: Alaska Public Utilities Comm.
 BRU: Commerce and Econ Dev.

Components: Public Protection
Division of Insurance

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-
---------	-----	-----	-----	-----	-----	-----

REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
---------	-----	-----	-----	-----	-----	-----

FUNDING: (Thousands of dollars)

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

POSITIONS:

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

ANALYSIS: Attach a separate page if necessary.

Prepared by: John L. George, Director
 Division: Alaska Public Utilities Commission

Phone: 465-2515
 Date: February 20, 1986

Approved by Commissioner: *John H. Thornburg*
 Agency: Commerce and Economic Development

Date: February 20, 1986

Distribution (by Agency preparing fiscal note):

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

Alaska State Legislature

COMMITTEES

Co-Chairman — House Resources
Committee
Member — House Transportation
Committee



While in Session:

Pouch V
State Capital
Juneau, Alaska 99811
Phone (907) 465-4951
465-4940

House of Representatives

Home - SR 790
Tok, Alaska 99780

Dick Shultz

February 27, 1985

Robert Sundberg, Commissioner
Department of Public Safety
Pouch N
Juneau, Alaska 99811

Dear Commissioner Sundberg:

Enclosed for your review and comment is a Committee Substitute for House Bill 68 "An Act relating to motor vehicle liability insurance."

The original bill did not address my concern that each automobile owned and operated by an Alaskan be covered by liability insurance. My intention is to provide an alternative to the present method of purchasing mandatory liability insurance.

My contention, is that a person owning 1 or more vehicles would not have to insure each vehicle separately. It is not meant to replace any other insurance program presently in effect.

Thanking you in advance for your time.

Sincerely,

A handwritten signature in cursive script that reads "Dick".

Representative Dick Shultz

DS/spp

STATE OF ALASKA

BILL SHEFFIELD, GOVERNOR

DEPARTMENT OF PUBLIC SAFETY

POUCH N
JUNEAU, ALASKA 99811
PHONE: 465-4322

OFFICE OF THE COMMISSIONER

March 5, 1985

*File
W.H. NB 68*

The Honorable Dick Shultz
House of Representatives
Alaska State Legislature
Pouch V
Juneau, AK 99811

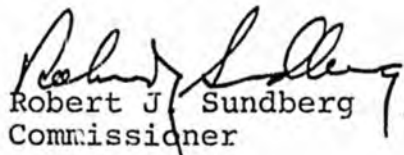
Dear Representative Shultz:

I have reviewed Committee Substitute for House Bill 68 "An act relating to motor vehicle liability insurance".

The broader interpretation addressed in the aforementioned committee substitute clarifies the scope and insurance policy needs to meet the requirements of vehicle liability insurance.

The Department supports the amendments.

Sincerely,


Robert J. Sundberg
Commissioner

Enclosure

BILL SHEFFIELD, GOVERNOR

DEPARTMENT OF PUBLIC SAFETY

DIVISION OF MOTOR VEHICLES

P. O. BOX 960
ANCHORAGE, ALASKA 99510
(907) 269-5551

March 8, 1985

*File
with HB
68*

The Honorable Dick Shultz
Alaska State Legislature
Pouch 1
Juneau, Alaska 99811

Dear Representative Shultz:

I have reviewed your Committee Substitute for House Bill 68 as you requested. While I believe I understand your commendable intentions, I have the following concerns.

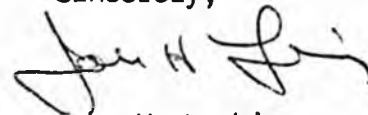
Alaska Statute 28.22.200(a), Sec. 2, places the responsibility of insurance on the operator, not owner. Where does this place employees driving company vehicles not covered under SB-103 or HB-133, which are still in committee, and the emergency regulations adopted February 28, 1985?

Additionally I question what premium rates insurance companies would need to establish for a personal policy of liability insurance. I would suggest contact with the insurance sector concerning what this will cost each operator.

Please feel free to contact me or my staff for any additional conversation on this matter.

A personal contact in Juneau on driver matters is Bill Brown, Chief of Driver Services at 465-2650.

Sincerely,



John H. Lucking
Director

KCAM TALK

THIS IS REP. DICK SHULTZ SPEAKING TO YOU FROM JUNEAU.

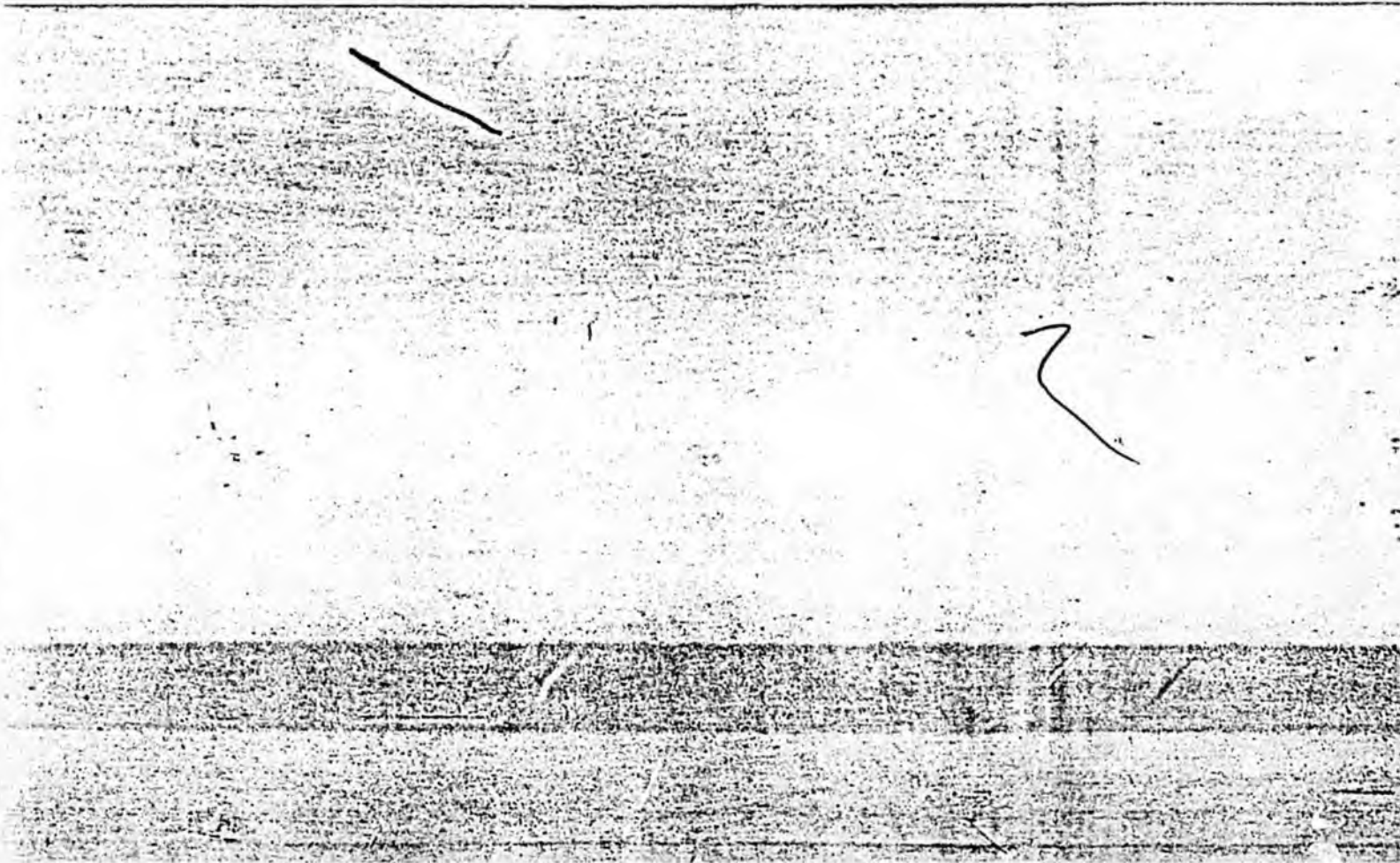
LAST WEEK I MENTIONED I WOULD DISCUSS THE 68 M² ALTERNATE MANDATORY INSURANCE BILL. THIS BILL IS INTRODUCED ONLY AS AN ALTERNATIVE TO THE PRESENT INSURANCE LAW AND IS NOT MEANT TO REPLACE IT.

IT IS MY BELIEF THE DRIVER SHOULD BE INSURED--NOT THE VEHICLE. HB 68 ACCOMPLISHES THIS. I ALSO CONTEND THE DRIVER'S DRIVING RECORD SHOULD DETERMINE THE POLICY PREMIUM--NOT THE AGE OF THE VEHICLE OR WHETHER IT HAS 4 CYLINDERS OR 16 CYLINDERS. FOR EXAMPLE--IF THE INSURANCE RECORDS RATE ME AS A POOR DRIVER AND MY WIFE AS A GOOD DRIVER THEN I DON'T BELIEVE OUR INSURANCE PREMIUMS SHOULD REFLECT A HIGHER RATE FOR BOTH OF US BECAUSE OF MY INEPTNESS. UNDER THIS BILL ONLY I WOULD BE REQUIRED TO PAY THE HIGHER PREMIUM. UNDER THE PRESENT LAW, IF A PERSON HAS NUMEROUS PIECES OF EQUIPMENT BUT ONLY USES IT FOR PART OF THE YEAR HE ^{YOU} OR SHE ARE REQUIRED TO PAY THE FULL PREMIUM. ^{Amount} EVEN IF ONE IS LUCKY ENOUGH TO FIND AN INSURANCE COMPANY WHO WILL ALLOW A WAIVER ON DEAD-LINED EQUIPMENT THE REPORTS NECESSARY FOR THIS ALLOWANCE CAN BE TIME CONSUMING AND VERY TEDIOUS. FOR EXAMPLE--UNDER THE PRESENT LAW IF YOU HAVE A PICK-UP TRUCK THAT IS USED ONLY FOR HAULING YOUR GARBAGE TO THE DUMP 2 OR 3 TIMES A MONTH--YOU ARE REQUIRED TO CARRY FULL LIABILITY INSURANCE ON THIS PICK-UP. THIS CAN MAKE YOUR GARBAGE HAULING PRETTY EXPENSIVE. HB 68 IS DESIGNED EXPRESSLY FOR THE FAMILY WHO OWNS A LOT OF VEHICLES THAT MUST BE LICENSED BUT ARE ONLY DRIVEN ON A PART-TIME BASIS.

INSURANCE COMPANIES AND THE STATE OF ALASKA DO NOT SUPPORT THIS BILL.

INSURANCE COMPANIES CLAIM IT WILL FORCE THEM TO RAISE THEIR RATES

BECAUSE OF THE NECESSITY ^{FR} OF ADMINISTRATIVE CHANGES. NO ONE LIKES
CHANGES--ESPECIALLY IF THEY THINK IT IS GOING TO COST THEM MONEY.
INSURANCE COMPANIES CAN FORCE ^{US} YOU AS INDIVIDUALS TO ACCEPT THEIR
CHANGES IN POLICY BUT WHEN THE SHOE IS ON THE OTHER FOOT--IT IS AN
ENTIRELY DIFFERENT STORY. LIKewise THE STATE HAS PUT A VERY
LARGE FISCAL NOTE ON THIS BILL BECAUSE OF THE MANY ADMINISTRATIVE
CHANGES REQUIRED. THE STATE CLAIMS IT WILL TAKE YEARS TO COMPILE
DATA TO: USE AS A BASIS FOR REGULATING INSURANCE RATES. THE STATE
INSURANCE COMMISSION MAKES THE STATEMENT THEY WOULD HAVE NO REAL WAY
OF DETERMINING WHETHER INSURANCE RATES ARE JUST OR NOT. WELL---
THE REASON I INTRODUCED THIS BILL IS BECAUSE A GREAT MANY
CONSTITUENTS AND I THINK OUR PRESENT INSURANCE RATES ARE ^{As required.} UNJUST.



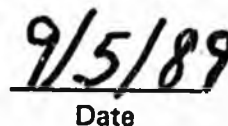


RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.


Signature of Camera Operator


Date