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A Brief Bill History on SB 114

"An Act relating to the registration of heavy vehicles;
and providing for an effective date."

=====

SB 114 was introduced by Rules by request of the Governor. It allows the state to refuse to register heavy vehicles if the owner cannot furnish proof of having paid the federal heavy vehicle use tax.

In the Governor's transmittal letter of January 30, 1985, it explains the necessity of this legislation to protect Alaska's full apportionment of federal highway funds.

In Senate State Affairs Committee, March 5, 1985--passed out with unanimous consent.

In Senate Transportation, March 18, 1985--passed out with the following amendment:

Delete: ", [AND] Alaska Motor Freight Carrier [AND BUS TRANSPORTATION] fees required under AS 42." (This language referred to the defunct Alaska Transportation Commission.)

According to the Senate Finance staff, CSSB 114(TRSP) passed out of Senate Finance with no changes to the bill or the fiscal note.

CSSB 114(TRSP) passed the Senate floor 17-1 on April 24, 1985.

Your back-up material provides you with the following:

- Cover memo from the Senate Transportation staff to members.
- CSSB 114(TRSP)
- The proposed amendment to SB 114 (from the Attorney General's office)
- SB 114
- Outline information of SB 114
- Governor's transmittal letter date January 30, 1985
- DOT/PF Position Paper
- Public Safety Position Paper
- Public Safety fiscal note for CSSB 114(TRSP)
- Federal Statute (STAA)

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: CSSB 114(Trans)
 Title: An Act relating to the registration of heavy vehicles.
 Sponsor: Governor
 Requestor: Senate Finance
 Date of Request: 3/25/85

FISCAL DETAIL

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

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES		8.8	9.3	9.9	10.5	11.1
200 TRAVEL						
300 CONTRACTUAL		7.4	5.5	5.8	6.1	6.5
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING		16.2	14.8	15.7	16.6	17.6

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

FUNDING: (Thousands of Dollars)

GENERAL FUND		16.2	14.8	15.7	16.6	17.6
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
SEASONAL		1	1	1	1	1
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

Will require proof of payment of the Federal Heavy Vehicle Use Tax prior to registration for all motor vehicles with a gross vehicle weight (GVW) of 55,000 pounds or over. Alaska vehicle classifications are based on unladen weight rather than GVW, so it is not possible to determine exactly how many vehicles are affected, but an estimate based on unladen weight would be 2,500 to 3,500 vehicles.

Cont.

Prepared By: Charles R. Hosack
 Division: Motor Vehicles

Phone: 269-5561
 Date: 3-20-85

Approved by Commissioner: [Signature]
 Agency: Public Safety

Date: 3/27/85

Distribution (by Agency preparing fiscal note):

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

7/1/84

HEAVY VEHICLE USE TAX

ANALYSIS CONTINUED

Notification to vehicle owners and collection of the proper forms would require a special mailing and individual handling. Most of these vehicles are commercial vehicles registered during December, so one position working four months, October through January, would be able to accomplish most of the work and the rest would be absorbed by existing positions.

Cost detail for the program is as follow:

100	Motor Vehicle Representative 1, Range 8, 4 Months		8.8
300	Mailing Cost	1.4	
	Forms	1.0	
	Data Processing Programming	2.0	
	Data Processing Maintenance	3.0	
		<u>7.4</u>	
			<u>7.4</u>
			16.2

An inflation factor of 6 percent has been applied to costs beyond FY86.

TITLE OF INCREMENT/DECREMENT:
 FN - Heavy Vehicle Registration

AGENCY CONTACT/PHONE NUMBER:
 John H. Lucking/269-5551

DESCRIBE WHY THIS INCREMENT/DECREMENT IS NEEDED AND WHAT IT PURCHASES:
 Proposed legislation would amend AS 28.10.021 dealing with vehicle registration to ensure that the vehicle owner has complied with federal regulations requiring that a heavy vehicle use tax be paid if applicable prior to State registration.

Notification to vehicle owners and collection of the proper forms would require a special mailing and individual handling. Most of the affected vehicles are commercial vehicles registered during December, so one seasonal position working four months (October-January) would be able to accomplish most of the additional workload involved in administering the change in Statute.

Costs are projected as follows:

100	One seasonal Motor Vehicle Rep I, Range 8, 4 months	8.8
300	Mailing Cost	1.4
	Forms	1.0
	Data Processing Programming	2.0
	Data Processing Maintenance	3.0
	Subtotal	7.4
	TOTAL COSTS	16.2

CODE	EXPENDITURE BY OBJECT	AGENCY REQ.	GOV'S REQ.
100	Personal Services	8.8	
200	Travel		
300	Contractual Services	7.4	
400	Supplies		
500	Equipment		
600	Lands, Buildings, Etc.		
700	Grants, Claims, Etc.		
800	Miscellaneous		
	TOTAL	16.2	
I-A Transfer (MOR-ADD)			
1002	Federal Receipts		
1003	General Fund Match		
1004	General Fund	16.2	
1005	I-A Receipts		
1028	Program Receipts		
	Other		
	PFT		
	XXX Seasonal	1.0	
	Non Permanent		
	Staff Months	4.0	

POSITION INFORMATION

Enhance Existing Service Compared to FY 85

New Service Compared to FY 85

Continuation of FY 85 Service Level

Formula Program

IMPACT FROM CAPITAL PROJECT (NAME)

Chapter _____ SLA _____ Page/Line _____

AGENCY Department of Public Safety

PROGRAM Life & Property Protection

BRU Division of Motor Vehicles

COMPONENT Vehicle Services

PROJECT _____

C5 INCREMENT/DECREMENT REQUEST

Agency Priority 34 of 35

FY 86

PAGE _____ OF _____

REVISED DATE _____

Alaska State Legislature

SENATOR
JOHN B. "JACK" COGHILL
Chairman

Senator Jan Faiks—Vice Chairman
Senator Mitch Abood
Senator Paul Fischer
Senator Joe Josephson



POUCH V
JUNEAU, ALASKA 99811
(907) 465-4921

Senate Committee on Transportation

MEMORANDUM

To: Committee members
From: Committee staff *RC*
Date: March 18, 1985
Re: SB 114

SB 114 is scheduled to be heard by the committee this afternoon. This bill proposes to amend AS 28.10.021 (motor vehicle registration) by requiring the Department of Public Safety to verify that federal heavy vehicle use taxes have been paid, for those vehicles required to do so, before the department can issue a registration for the vehicle. As the Governor's transmittal letter points out, if this change to the State's law is not made, the federal government may withhold 25% of federal funds for highway construction.

In your folder you have a copy of the bill, a copy of the federal statute making the bill necessary, a DPS fiscal note and analysis, and position papers from DPS and DOT/PF. Also included is a proposed amendment suggested by Jim Fischer of the Attorney General's office, which would delete references to requirements of the now defunct Alaska Transportation Commission.

From A.G.'s Office

Proposed Amendment to SB 114 - ". . . relating to the registration of heavy vehicles. . ."

On line 14, page 1 after the word "chapter" delete the
","; delete all language on line 15, page 1; and on line 16, page
1 delete the language "required under AS 42,"

Outline about SB 114

1. This legislation is required by passage of Federal legislation in 1982. That enactment was the Surface Transportation Assistance Act of 1982.

2. When Congress passed the 1982 statute it included a provision which could penalize a state for up to 25% of its federal highway aid money. To avoid such a penalty the state must check to see if the federal heavy vehicle use taxes have been paid. If the federal taxes have not been paid, then the state must refuse to register those heavy vehicles on which no use taxes have been paid.

3. Alaska statutes presently lack any provision which permits the Division of Motor Vehicles to refuse registration for failure to show evidence of payment of federal heavy use taxes. To grant such authority to the Division of Motor Vehicles is the reason SB 114 is now before the legislature. This authority should be in place not later than October 1, 1985 the deadline set by the federal government.

Other questions:

(a) Doesn't the proposed enactment place Alaska in the position of collecting federal taxes?

Answer: No. IRS must continue to collect but if a truck owner, for example, doesn't show a receipt (Form 2290), demonstrating the tax has been paid to it, then the truck cannot be registered in Alaska. The state does not have to handle any money for the federal government.

(b) Doesn't this measure require Alaska to be an indirect tax collector?

Answer: It can be argued that that is what occurs. However, it is mandatory under the federal law.

(c) Will the proposed measure place additional demands on the staff of the Division of Motor Vehicles (DMV)?

Answer: Yes, it is an extra step for registration of a heavy vehicle truck (GVW 55,000 pounds). DMV employees will probably have to answer questions which should logically be directed to the IRS. However, if an Alaskan doesn't understand the heavy vehicle tax law when applying to DMV, then state officials should be ready to respond to inquiries which should really be answered by federal employees.

BILL SHEFFIELD
GOVERNOR



SB 114

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

January 30, 1985

The Honorable Don Bennett
President of the Senate
Alaska State Legislature
Pouch V
Juneau, AK 99811

Dear Senator Bennett:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill that will authorize the division of motor vehicles (DMV), Department of Public Safety, to refuse to register heavy trucks and trailers if the owner of the heavy vehicle does not furnish proof that applicable federal heavy use taxes have been paid. This authorization is necessary to protect Alaska's full apportionment of federal highway funds.

In 1982 the U.S. Congress adopted the Surface Transportation Assistance Act of 1982. The Act increases, as of July 1, 1984, the heavy vehicle use tax which heavy trucks and trailers must pay under sec. 4481 of the Internal Revenue Code of 1954. Section 143 of the Act (23 U.S.C. sec. 141(d)) authorizes the federal government to withhold up to 25 percent of a state's apportionment of federal highway funds during any year in which heavy vehicles subject to such taxation may be registered in the state without presenting proof of payment of these taxes. The present federal law requires that this proof-of-payment requirement must be effective no later than January 1, 1985.

In order to prevent the loss of these federal highway funds, this bill authorizes DMV to refuse to register a heavy vehicle unless the owner provides proof that the required federal tax has been paid. If an applicant fails to provide the required proof of payment, the applicant's vehicle will not be registered. The State of Alaska is not required to enforce or collect the federal tax.

At line 15, the bill also makes an incidental amendment (deletion of "and bus transportation") to recognize the 1980 repeal of AS 42.15, the chapter on bus transportation to which this provision refers.

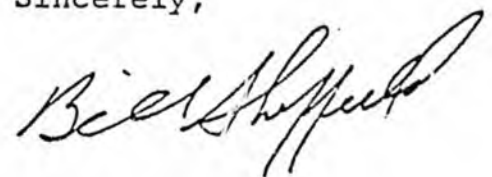
GOVERNOR'S LETTER OF TRANSMITTAL

SB 114

I anticipate that Department of Public Safety personnel will be working with legislative committees on possible amendments to the bill, which may be necessitated by pending federal procedural instructions.

In order to avoid the loss of federal funding needed for Alaska's highway system, I urge your passage of this bill.

Sincerely,



Bill Sheffield
Governor



Dept. of Transportation & Public Facilities

Position Paper

BILL NO: Senate Bill 114

APPROVED:

R. J. Knapp
R. J. Knapp
Commissioner

TITLE: An act relating to the registration of heavy vehicles; and providing for an effective date.

DATE:

March 1, 1985

The Alaska Department of Transportation and Public Facilities urges speedy passage of Senate Bill (SB) 114. SB 114 enables the Division of Motor Vehicles in the Department of Public Safety to require proof-of-payment of the federal heavy vehicle use tax before registering heavy vehicles in the State of Alaska. The heavy vehicle use tax is one of a number of user fees that fund highway improvements through the federal Highway Trust Fund. The State of Alaska receives a very favorable distribution from the Highway Trust Fund; this distribution is over nine times the amount collected through federal taxes on highway use in Alaska.

If SB 144 is not enacted, Alaska will be subject to a reduction in our Interstate apportionments from the highway trust fund. This reduction in funds will hurt the Department's efforts to improve Alaska's Interstate System, consisting of the Parks, Alaska, Glenn and Tok Cut-off highways and portions of the Richardson, Seward, and Sterling highways. The Department estimates that withholding, when applied, will cost the state over \$10 million a year in Interstate apportionments. In a time of declining oil revenues and pressing road improvement needs, the state can ill afford any loss of federal-aid highway funds.

For further information call Susan Fleischhauer at 465-3900.

DOT/PF POSITION PAPER

DEPARTMENT OF PUBLIC SAFETY

POSITION PAPER - CSSB 114 (Trans)

SUPPORT

March 20, 1985

CSSB 114 (Transportation), An Act relating to the registration of heavy vehicles and providing for an effective date.

The United States Congress has amended the United States Code to reflect the Secretary of Transportation shall reduce the state's apportionment for federal-aid highway funds in any fiscal year beginning after October 1, 1985, if a vehicle subject to the use tax may be lawfully registered in the state without having presented proof of payment of the use tax.

Enforcement of a federal law by state registration processes is not a desirable use of state resources. However, the alternative, a loss of 25 percent of federal highway funds, leaves the state little choice. The state is not required to enforce or collect the federal tax but only to verify it has been paid before the vehicle is registered.

Therefore, it is felt this bill should be passed this session to bring Alaska in compliance with the federal requirement and avoid loss of the federal-aid highway funds.


ROBERT J. SUNDBERG
Commissioner

DEPARTMENT OF PUBLIC SAFETY

POSITION PAPER - SB 114

SUPPORT

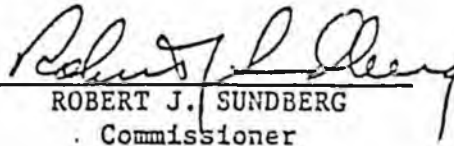
February 6, 1985

SB 114, An Act relating to the registration of heavy vehicles and providing for an effective date.

The United State Congress has amended the United States Code to reflect the Secretary of Transportation shall reduce the state's apportionment for federal-aid highway funds in any fiscal year beginning after October 1, 1985, if a vehicle subject to the use tax may be lawfully registered in the state without having presented proof of payment of the use tax.

Enforcement of a federal law by state registration processes is not a desirable use of state resources. However, the alternative, a loss of 25 percent of federal highway funds, leaves the state little choice. The state is not required to enforce or collect the federal tax but only to verify it has been paid before the vehicle is registered.

Therefore, it is felt this bill should be passed this session to bring Alaska in compliance with the federal requirement and avoid loss of the federal-aid highway funds.


ROBERT J. SUNDBERG
Commissioner

DPS POSITION PAPER

Southern Illinois Builders Ass'n v. Ugalvie, C.A. Ill.1972, 471 F.2d 680.

2. Power of states

State officials were authorized to prescribe number of minority trainees to be employed by

contractor in connection with highway construction projects. Schlaflly v. Volpe, C.A.Ill.1974, 495 F.2d 273.

§ 141. Enforcement of requirements

(a) Each State shall certify to the Secretary before January 1 of each year that it is enforcing all speed limits on public highways in accordance with section 154 of this title. The Secretary shall not approve any project under section 106 of this title in any State which has failed to certify in accordance with this subsection.

(b) Each State shall certify to the Secretary before January 1 of each year that it is enforcing all State laws respecting maximum vehicle size and weights permitted on the Federal-aid primary system, the Federal-aid urban system, and the Federal-aid secondary system, including the Interstate System in accordance with section 127 of this title.

(c) (1) Each State shall submit to the Secretary such information as the Secretary shall, by regulation, require as necessary, in his opinion, to verify the certification of such State under subsection (b) of this section.

(2) If a State fails to certify as required by subsection (b) of this section or if the Secretary determines that a State is not adequately enforcing all State laws respecting such maximum vehicle size and weights, notwithstanding such a certification, then Federal-aid highway funds apportioned to such State for such fiscal year shall be reduced by amounts equal to 10 per centum of the amount which would otherwise be apportioned to such State under section 104 of this title.

(3) If within one year from the date that the apportionment for any State is reduced in accordance with paragraph (2) of this subsection the Secretary determines that such State is enforcing all State laws respecting maximum size and weights, the apportionment of such State shall be increased by an amount equal to such reduction. If the Secretary does not make such a determination within such one-year period, the amounts so withheld shall be reapportioned to all other eligible States.

(d) The Secretary shall reduce the State's apportionment of Federal-aid highway funds under section 104(b) (5) of this title in an amount up to 25 per centum of the amount to be apportioned in any fiscal year beginning after September 30, 1984, during which heavy vehicles, subject to the use tax imposed by section 4481 of the Internal Revenue Code of 1954, may be lawfully registered in the State without having presented proof of payment, in such form as may be prescribed by the Secretary of the Treasury, of the use tax imposed by section 4481 of such Code. Amounts withheld from apportionment to a State under this subsection shall be apportioned to the other States pursuant to the formulas of section 104(b) (5) of this title and shall be available in the same manner and to the same extent as other Interstate funds apportioned at the same time to other States.

(Add: Pub.L. 93-643, § 107(a), Jan. 4, 1975, 88 Stat. 2284, and amended Pub.L. 95-599, Title I, § 125(d), Nov. 6, 1978, 92 Stat. 2702; Pub.L. 97-424, Title I, § 143, Jan. 6, 1983, 96 Stat. 2129.)

References in Text. Section 4481 of the Internal Revenue Code of 1954, referred to in subsec. (d), is section 4481 of Title 26, Internal Revenue Code.

Prior Provisions. A prior section 141, Pub.L. 90-495, § 35(a), Aug. 23, 1968, 82 Stat. 836, providing for real property acquisition policies, was repealed by Pub.L. 91-646, Title III, § 306, Jan. 2, 1971, 84 Stat. 1907, and is now covered by sections 4651(1), (3), and (5) and 4655(1) of Title 42, The Public Health and Welfare.

1983 Amendment. Subsec. (b). Pub.L. 97-424, § 143, added subsec. (d).

1978 Amendment. Pub.L. 95-599 redesignated existing provisions as subsecs. (a) and (b) and added subsec. (c).

Effective Date of 1978 Amendment. Section 123(e) of Pub.L. 95-599, formerly set out as a note under this section, providing that subsec. (c) (2) and (3) of this section be applicable to certifications required by this section to be filed on or after Jan. 1, 1980, was repealed by Pub.L. 96-106, § 12, Nov. 9, 1979, 93 Stat. 798.

Enforcement of Vehicle Weight Limitations. Section 123(a) to (c) of Pub.L. 95-599 provided that:

"(a) Not later than the one-hundred-eightieth day after the date of enactment of this section [Nov. 6, 1978], the Secretary of Transportation, hereunder referred to as the 'Secretary', in consultation with each State shall inventory the existing system of penalties for violations of vehicle weight

Laws, rules, and regulations on any portion of any Federal-aid system in such State. Each State shall annually thereafter report to the Secretary its current inventory.

"(b) (1) Not later than the one-hundred-eightieth day after the date of enactment of this section [Nov. 6, 1978], the Secretary, in consultation with each State, shall inventory the existing system in such State for the issuance of special permits. Each State shall annually thereafter report to the Secretary its current inventory.

"(2) For purposes of this subsection, the term "special permit" means a license or permit issued pursuant to State law, rule, or regulation which authorizes a vehicle to exceed the weight limitation for such vehicle established under State law, rule, or regulation.

"(c) Not later than January 1 of the second calendar year which begins after the date of enactment of this section [Nov. 6, 1978] and each

calendar year thereafter the Secretary shall submit to Congress an annual report together with such recommendations as the Secretary deems necessary on (1) the latest annual inventory of State systems of penalties required by subsection (a) of this section; (2) the latest annual inventory of State systems for the issuance of special permits required by subsection (b) of this section; (3) the annual certification submitted by each State required by section 141(b) of title 23, United States Code [subsec. (b) of this section]."

Legislative History. For legislative history and purpose of Pub.L. 93-643, see 1974 U.S. Code Cong. and Adm. News, p. 8011. See also, Pub.L. 95-599, 1978 U.S. Code Cong. and Adm. News, p. 6575; Pub.L. 97-424, 1982 U.S. Code Cong. and Adm. News, p. 3639.

Code of Federal Regulations

Size and weight, see 23 CFR 657.1.

Speed limits, see 23 CFR 659.1.

§ 112. Public transportation

(a) (1) To encourage the development, improvement, and use of public mass transportation systems operating motor vehicles (other than on rail) on Federal-aid highways for the transportation of passengers (hereafter in this section referred to as "buses"), so as to increase the traffic capacity of the Federal-aid systems for the movement of persons, the Secretary may approve as a project on any Federal-aid system the construction of exclusive or preferential high occupancy vehicle lanes, highway traffic control devices, bus passenger loading areas and facilities (including shelters), and fringe and transportation corridor parking facilities to serve high occupancy vehicle and public mass transportation passengers, and sums apportioned under section 104(b) of this title shall be available to finance the cost of projects under this paragraph. If fees are charged for the use of any parking facility constructed under this section, the rate thereof shall not be in excess of that required for maintenance and operation of the facility and the cost of providing shuttle service to and from the facility (including compensation to any person for operating the facility and for providing such shuttle service).

(2) In addition to the projects under paragraph (1), the Secretary may, beginning with the fiscal year ending June 30, 1975, approve as a project on the Federal-aid urban system, for payment from sums apportioned under section 104(b)(6) of this title, the purchase of buses, and, beginning with the fiscal year ending June 30, 1976, approve as a project on the Federal-aid urban system, for payment from sums apportioned under section 104(b)(6) of this title, the construction, reconstruction, and improvement of fixed rail facilities, including the purchase of rolling stock for fixed rail, except that not more than \$200,000,000 of all sums apportioned for the fiscal year ending June 30, 1975, under section 104(b)(6) shall be available for the payment of the Federal share of projects for the purchase of buses.

(b) Sums apportioned in accordance with paragraph (5) of subsection (b) of section 104 of this title shall be available to finance the Federal share of projects for exclusive or preferential high occupancy vehicle, truck, and emergency vehicle routes or lanes. Routes constructed under this subsection shall not be subject to the third sentence of section 109(b) of this title.

(c) Whenever responsible local officials of an urbanized area notify the State highway department that, in lieu of a highway project the Federal share of which is to be paid from funds apportioned under section 104(b)(6) of this title for the fiscal years ending June 30, 1974, and June 30, 1975, their needs require a nonhighway public mass transit project involving the construction of fixed rail facilities, or the purchase of passenger equipment, including rolling stock for any mode of mass transit, or both, and the State highway department determines that such public mass transit project is in accordance with the planning process under section 134 of this title and is entitled to priority under such planning process, such public mass transit project shall be submitted for approval to the Secretary. Approval of the plans, specifications, and estimates for such project by the Secretary shall be deemed a

COMMITTEE REPORT

5/1

HOUSE

(7)

FURTHER: FINANCE

4/25/85

Date: _____

The Committee on TRANSPORTATION has had CSSR 114(Trsp)

"An Act relating to the registration of heavy vehicles; and providing for an effective date."

under consideration and recommends:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for _____ 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

Betty A. Pate
W. L. ...
W. ...
Mike Davis

MEMBERS HAVING
OTHER RECOMMENDATIONS:

A. ... Do Not Pass
This is Fiscal ...
...

Betty A. Pate
 CHAIRMAN

TRANSPORTATION COMMITTEE DAILY AGENDA

=====

- 1) CALL MEETING TO ORDER
- 2) NOTE MONTH/DAY/YEAR Wednesday, May 1, 1985
- 3) NOTE TIME: (7:00 a.m.)
- 4) NOTE MEMBERS PRESENT AND EXCUSED

--Note: For the record, also note any late arrivals to the meeting.

- 5) RECOGNIZE VIP's
- 6) REMIND PARTICIPANTS TO SIGN THE WITNESS REGISTER
- 7) BRING BEFORE THE COMMITTEE:

CSSB 114(Trsp)

"An Act relating to the registration of heavy vehicles; and providing for an effective date." Original sponsor: the Rules Committee by Request of the Governor.

HB 100

"An Act relating to detention of vessels as security for oil-pollution damages; clarifying a definition relating to discharge of hazardous substances; and providing for an effective date." Original sponsor: Rules Committee by Request of the Governor.

- 8) INSIDE THE MEMBERS' FOLDERS:

For CSSB 114(TRSP)

- ° A brief bill history on SB 114
- ° Cover memo from the Senate Transportation staff to members.
- ° CSSB 114(TRSP)
- ° The proposed amendment to SB 114 (from the Attorney General's office)
- ° SB 114
- ° Outline information of SB 114

- Governor's transmittal letter date January 30, 1985
- DOT/PF Position Paper
- Public Safety Position Paper
- Public Safety fiscal note for CSSB 114(TRSP)
- Federal Statute (STAA)

For HB 100:

- A copy of the bill
- A copy of the fiscal note
- The Governor's letter of transmittal
- A copy of the April 26, 1985 letter from Commissioner Bill Ross to Chairman Cato
- Copy of memos from the Office of the Attorney General
- A copy of the affected statutes
- "Hearing on Plaintiff's Motion for T.R.O. [Temporary Restraining Order] February 1, 1984 State v. Transportes Del Este Navegacion"

9) INTRODUCE WITNESSES

10) ANNOUNCE TIME OF ADJOURNMENT

SECTIONAL ANALYSIS FOR SENATE BILL 114

An Act relating to the registration of heavy vehicles

Section 1

Requires that before a heavy truck or trailer is registered by the Division of Motor Vehicles, the owner must furnish proof that federal heavy vehicle use taxes required by the federal government have been paid.

Section 2

Provides the Division of Motor Vehicles with the authority to refuse to register heavy trucks and trailers if the federal heavy vehicle use tax has not been paid.

Section 3

Immediate effective date.

This change in law is necessary because Congress mandated that failure to comply with this proof-of-payment provision would result in loss of 25% of the state's highway funds. That provision became effective January 1 of this year.

There is an FY 86 fiscal note from the Department of Public Safety for \$16,200. It would fund a temporary 4-month position, mailing notification forms to vehicle owners and related data processing costs.

*Sent Fw
for 4/22/85-8:30A*

SB 114

MEASURE HISTORY

CSBP 114 TRSP

AN ACT RELATING TO THE REGISTRATION OF HEAVY VEHICLES; AND PROVIDING FOR AN EFFECTIVE DATE

PRIME SPONSOR: RULES COMMITTEE
CO-SPONSORS:

BY REQ OF THE GOVERNOR

CURRENT STATUS: (H) TRSP

DATE	PAGE	ACTION
01/30/85 (S)	176	READ THE FIRST TIME
01/30/85 (S)	176	GOVERNOR'S TRANSMITTAL LETTER
01/30/85 (S)	176	FISCAL NOTE SS#10
03/05/85 (S)	468	SA RPT ADP
03/19/85 (S)	577	TRSP RPT CS ADP
04/22/85 (S)	520	EIN RET 7 UP TRSP CS
04/24/85 (S)	907	RLS RPT CALENDAR TODAY
04/24/85 (S)	908	READ THE SECOND TIME
04/24/85 (S)	908	TRSP CS ADOPTED UNAN CONSENT
04/24/85 (S)	908	ADVANCED TO THIRD READING UNAN CONSENT

SB 114

MEASURE HISTORY

DATE	PAGE	ACTION
04/24/85 (S)	909	READ THE THIRD TIME
04/24/85 (S)	909	PASSED Y17-N-X1-02
04/24/85 (S)	909	EFFECTIVE DATE SAME AS PASSAGE
04/24/85 (S)	913	TRANSMITTED TO (H)
04/25/85 (H)		READ THE FIRST TIME
		TRANSPORTATION
		FINANCE
		RULES

*Status on 4/25
for ready reference*



Dept. of Transportation & Public Facilities

Position Paper

BILL NO: Senate Bill 114

APPROVED:

R. J. Knapp
R. J. Knapp
Commissioner

TITLE: An act relating to the registration of heavy vehicles; and providing for an effective date.

DATE:

March 1, 1985

The Alaska Department of Transportation and Public Facilities urges speedy passage of Senate Bill (SB) 114. SB 114 enables the Division of Motor Vehicles in the Department of Public Safety to require proof-of-payment of the federal heavy vehicle use tax before registering heavy vehicles in the State of Alaska. The heavy vehicle use tax is one of a number of user fees that fund highway improvements through the federal Highway Trust Fund. The State of Alaska receives a very favorable distribution from the Highway Trust Fund; this distribution is over nine times the amount collected through federal taxes on highway use in Alaska.

If SB 144 is not enacted, Alaska will be subject to a reduction in our Interstate apportionments from the highway trust fund. This reduction in funds will hurt the Department's efforts to improve Alaska's Interstate System, consisting of the Parks, Alaska, Glenn and Tok Cut-off highways and portions of the Richardson, Seward, and Sterling highways. The Department estimates that withholding, when applied, will cost the state over \$10 million a year in Interstate apportionments. In a time of declining oil revenues and pressing road improvement needs, the state can ill afford any loss of federal-aid highway funds.

DEPARTMENT OF PUBLIC SAFETY

POSITION PAPER - SB 114

SUPPORT

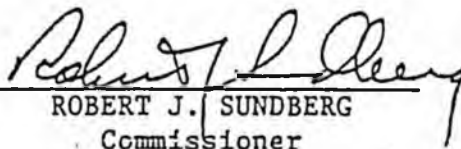
February 6, 1985

SB 114, An Act relating to the registration of heavy vehicles and providing for an effective date.

The United State Congress has amended the United States Code to reflect the Secretary of Transportation shall reduce the state's apportionment for federal-aid highway funds in any fiscal year beginning after October 1, 1985, if a vehicle subject to the use tax may be lawfully registered in the state without having presented proof of payment of the use tax.

Enforcement of a federal law by state registration processes is not a desirable use of state resources. However, the alternative, a loss of 25 percent of federal highway funds, leaves the state little choice. The state is not required to enforce or collect the federal tax but only to verify it has been paid before the vehicle is registered.

Therefore, it is felt this bill should be passed this session to bring Alaska in compliance with the federal requirement and avoid loss of the federal-aid highway funds.


ROBERT J. SUNDBERG
Commissioner

Southern Illinois Builders Ass'n v. Ogilvie, C.A. Ill. 1972, 471 F.2d 680.

2. Power of states
State officials were authorized to prescribe number of minority trainees to be employed by contractor in connection with highway construction projects. *Schlaify v. Volpe*, C.A. Ill. 1974, 495 F.2d 273.

§ 141. Enforcement of requirements

(a) Each State shall certify to the Secretary before January 1 of each year that it is enforcing all speed limits on public highways in accordance with section 154 of this title. The Secretary shall not approve any project under section 106 of this title in any State which has failed to certify in accordance with this subsection.

(b) Each State shall certify to the Secretary before January 1 of each year that it is enforcing all State laws respecting maximum vehicle size and weights permitted on the Federal-aid primary system, the Federal-aid urban system, and the Federal-aid secondary system, including the Interstate System in accordance with section 127 of this title.

(c)(1) Each State shall submit to the Secretary such information as the Secretary shall, by regulation, require as necessary, in his opinion, to verify the certification of such State under subsection (b) of this section.

(2) If a State fails to certify as required by subsection (b) of this section or if the Secretary determines that a State is not adequately enforcing all State laws respecting such maximum vehicle size and weights, notwithstanding such a certification, then Federal-aid highway funds apportioned to such State for such fiscal year shall be reduced by amounts equal to 10 per centum of the amount which would otherwise be apportioned to such State under section 104 of this title.

(3) If within one year from the date that the apportionment for any State is reduced in accordance with paragraph (2) of this subsection the Secretary determines that such State is enforcing all State laws respecting maximum size and weights, the apportionment of such State shall be increased by an amount equal to such reduction. If the Secretary does not make such a determination within such one-year period, the amounts so withheld shall be reapportioned to all other eligible States.

(d) The Secretary shall reduce the State's apportionment of Federal-aid highway funds under section 104(b)(5) of this title in an amount up to 25 per centum of the amount to be apportioned in any fiscal year beginning after September 30, 1984, during which heavy vehicles, subject to the use tax imposed by section 4481 of the Internal Revenue Code of 1954, may be lawfully registered in the State without having presented proof of payment, in such form as may be prescribed by the Secretary of the Treasury, of the use tax imposed by section 4481 of such Code. Amounts withheld from apportionment to a State under this subsection shall be apportioned to the other States pursuant to the formulas of section 104(b)(5) of this title and shall be available in the same manner and to the same extent as other Interstate funds apportioned at the same time to other States.

(Added Pub.L. 94-443, § 107(a), Jan. 4, 1975, 88 Stat. 2284, and amended Pub.L. 95-599, Title I, § 123(d), Nov. 6, 1978, 92 Stat. 2702; Pub.L. 97-124, Title I, § 143, Jan. 6, 1981, 96 Stat. 2129.)

References in Text. Section 4481 of the Internal Revenue Code of 1954, referred to in subsection (d), is section 4481 of Title 26, Internal Revenue Code.

Prior Provisions. A prior section 141, Pub.L. 90-495, § 35(a), Aug. 23, 1968, 82 Stat. 836, providing for real property acquisition policies, was repealed by Pub.L. 91-646, Title III, § 306, Jan. 2, 1971, 84 Stat. 1907, and is now covered by sections 4651(i), (j), and (5) and 4653(f) of Title 42, The Public Health and Welfare.

1983 Amendment. Subsec. (b). Pub.L. 97-424, § 143, added subsec. (d).

1978 Amendment. Pub.L. 95-599 redesignated existing provisions as subsecs. (a) and (b) and added subsec. (c).

laws, rules, and regulations on any portion of any Federal-aid system in such State. Each State shall annually thereafter report to the Secretary its current inventory.

"(b)(1) Not later than the one-hundred-eightieth day after the date of enactment of this section [Nov. 6, 1978], the Secretary, in consultation with each State, shall inventory the existing system in such State for the issuance of special permits. Each State shall annually thereafter report to the Secretary its current inventory."

"(2) For purposes of this subsection, the term "special permit" means a license or permit issued pursuant to State law, rule, or regulation which authorizes a vehicle to exceed the weight limitation for such vehicle established under State law, rule, or regulation.

"(c) Not later than January 1 of the second calendar year which begins after the date of enactment of this section [Nov. 6, 1978] and each

§ 142. Public transportation

(a)(1) To encourage the development, improvement, and use of public mass transportation systems operating motor vehicles (other than on rail) on Federal-aid highways for the transportation of passengers (hereafter in this section referred to as "buses"), so as to increase the traffic capacity of the Federal-aid systems for the movement of persons, the Secretary may approve as a project on any Federal-aid system the construction of exclusive or preferential high occupancy vehicle lanes, highway traffic control devices, bus passenger loading areas and facilities (including shelters), and fringe and transportation corridor parking facilities to serve high occupancy vehicle and public mass transportation passengers, and sums apportioned under section 104(b) of this title shall be available to finance the cost of projects under this paragraph. If fees are charged for the use of any parking facility constructed under this section, the rate thereof shall not be in excess of that required for maintenance and operation of the facility and the cost of providing shuttle service to and from the facility (including compensation to any person for operating the facility and for providing such shuttle service).

(2) In addition to the projects under paragraph (1), the Secretary may, beginning with the fiscal year ending June 30, 1975, approve as a project on the Federal-aid urban system, for payment from sums apportioned under section 104(b)(f) of this title, the purchase of buses, and, beginning with the fiscal year ending June 30, 1976, approve as a project on the Federal-aid urban system, for payment from sums apportioned under section 104(b)(g) of this title, the construction, reconstruction, and improvement of fixed rail facilities, including the purchase of rolling stock for fixed rail, except that not more than \$200,000,000 of all sums apportioned for the fiscal year ending June 30, 1975, under section 104(b)(f) shall be available for the payment of the Federal share of projects for the purchase of buses.

(b) Sums apportioned in accordance with paragraph (5) of subsection (b) of section 104 of this title shall be available to finance the Federal share of projects for exclusive or preferential high occupancy vehicle, truck, and emergency vehicle routes or lanes. Routes constructed under this subsection shall not be subject to the third sentence of section 109(b) of this title.

(c) Whenever responsible local officials of an urbanized area notify the State highway department that, in lieu of a highway project the Federal share of which is to be paid from funds apportioned under section 104(b)(f) of this title for the fiscal years ending June 30, 1974, and June 30, 1975, their needs require a nonhighway public mass transit project involving the construction of fixed rail facilities, or the purchase of passenger equipment, including rolling stock for any mode of mass transit, or both, and the State highway department determines that such public mass transit project is in accordance with the planning process under section 134 of this title and is entitled to priority under such planning process, such public mass transit project shall be submitted for approval to the Secretary. Approval of the plans, specifications, and estimates for such project by the Secretary shall be deemed a

Legislative History. For legislative history and purpose of Pub.L. 93-643, see 1974 U.S. Code Cong. and Adm. News, p. 8011. See, also, Pub.L. 95-599, 1978 U.S. Code Cong. and Adm. News, p. 6575; Pub.L. 97-424, 1982 U.S. Code Cong. and Adm. News, p. 3639.

Code of Federal Regulations
Size and weight, see 23 CFR 657.1.
Speed limits, see 23 CFR 659.1.

COMMITTEE REPORT
SENATE

FURTHER: FINANCE

3/5/85

Date MARCH 10, 1985

Mr. President

The Committee on TRANSPORTATION considered SB 114
relating to registration of heavy vehicles; efd.

and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass
- do pass with attached amendment(s)
- replace with/or adopt CS for SB 114 (TRANSPORTATION)
- new title
- same title and recommends DO PASS
- and attached a "LETTER OF INTENT" NEW FISCAL NOTE
- reports it back without recommendation
- recommends referral to _____ Committee

MEMBERS SIGNING
DO PASS

[Signature]
[Signature]
Paul Fricker

MEMBERS HAVING
OTHER RECOMMENDATIONS

[Signature]
Chairman
DO PASS
Chairman recommendation

INTRODUCTION OF BILLS (Senate)(cont'd)

SB 113 (cont'd)

The bill also removes a provision that has resulted in double payments -- one from the state and one from senior citizens -- to some municipalities for vehicles owned by senior citizens in those municipalities.

A section-by-section description of the bill follows:

Section 1 extends the senior citizen exemption from the state motor vehicle registration fee (AS 28.10.411 and 28.10.421) to the municipal registration tax (AS 28.10.431). This section limits the exemption to vehicles used for personal, rather than commercial, uses. In making this change, this section also removes an inaccurate and confusing use of the word "tax."

Section 2 limits reimbursements to municipalities to the amount of revenue lost as a result of the senior citizen exemption from the municipal registration tax. This section allows the department to prorate reimbursement if appropriations are less than the amount needed for full reimbursement.

Section 3 adds senior citizen-owned motor vehicles to the list of property that is exempt from municipal property taxes. (See sec. 6 of this bill.)

Section 4 limits the amount of exemption from property taxation of a home owned by a senior citizen to the first \$200,000 of the assessed value of the property. This section provides for additional exemption beyond that amount in case of hardship. It also allows the surviving spouse of a person who received the exemption to continue the exemption if the surviving spouse is at least 55 years of age.

Section 5 requires a separate application for each exemption claimed under AS 29.53.020. And it removes some inappropriate language regarding approval by the assessor.

Section 6 exempts one motor vehicle owned by a resident 65 years of age or older from municipal property taxation (see sec. 3 of this bill). This section also requires the state to reimburse municipalities for revenue lost as a result of this exemption, but only to the extent that the vehicle is not already exempt under AS 29.53.025(b)(4) (regarding optional tax exemptions). And it provides for proration of reimbursement.

Section 7 limits the department's authority to waive the untimeliness of an application for senior citizen property tax equivalency payment to the year following the year for which the payment is claimed.

Section 8 provides for proration of senior citizen property tax equivalency payments.

Section 9 provides for proration of senior citizen rent sales tax reimbursement.

Section 10 provides for a January 1, 1986 effective date.

Heavy
Vehicles
(registration)

SENATE BILL NO. 114, by the Rules Committee by request of the Governor. Allows the state to refuse to register heavy vehicles if the owner cannot furnish proof of having paid the federal heavy vehicle use tax. Effective immediately.

Introduced January 30 and referred to State Affairs, Transportation and Finance.

In his message transmitting the bill to the Senate for consideration, Governor Sheffield stated:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill that will authorize the division of motor vehicles (DMV), Department of Public Safety, to refuse to register heavy trucks and trailers if the owner of the heavy vehicle does not furnish proof that applicable

INTRODUCTION OF BILLS (Senate)(cont'd)

SB 114 (cont'd)

federal heavy use taxes have been paid. This authorization is necessary to protect Alaska's full apportionment of federal highway funds.

In 1982 the U.S. Congress adopted the Surface Transportation Assistance Act of 1982. The Act increases, as of July 1, 1984, the heavy vehicle use tax which heavy trucks and trailers must pay under sec. 4481 of the Internal Revenue Code of 1954. Section 143 of the Act (23 U.S.C. sec. 141(d)) authorizes the federal government to withhold up to 25 percent of a state's apportionment of federal highway funds during any year in which heavy vehicles subject to such taxation may be registered in the state without presenting proof of payment of these taxes. The present federal law requires that this proof-of-payment requirement must be effective no later than January 1, 1985.

In order to prevent the loss of these federal highway funds, this bill authorizes DMV to refuse to register a heavy vehicle unless the owner provides proof that the required federal tax has been paid. If an applicant fails to provide the required proof of payment, the applicant's vehicle will not be registered. The State of Alaska is not required to enforce or collect the federal tax.

At line 15, the bill also makes an incidental amendment (deletion of "and bus transportation") to recognize the 1980 repeal of AS 42.15, the chapter on bus transportation to which this provision refers.

I anticipate that Department of Public Safety personnel will be working with legislative committees on possible amendments to the bill, which may be necessitated by pending federal procedural instructions.

In order to avoid the loss of federal funding needed for Alaska's highway system, I urge your passage of this bill.

Oil & Gas
Activities
(haul road
rights-of way)

SENATE BILL NO. 115, by the Resources Committee. Identical to HB 143, page 190, this report. Does not provide for an effective date (becomes law 90 days after signed by the Governor).

Introduced January 31 and referred to Resources and Transportation.

Bank
Investments

SENATE BILL NO. 116, by Senators Rodey, Sturgulewski and Josephson. Would allow state banks and insurers to invest in obligations of the African Development Bank. A state bank could not underwrite or invest over 15% of its combined capital, surplus and undivided profits in the African Development Bank.

Amends AS 06.05.270 (Banking Code; Investments) and AS 21.21 (Insurance; Investments). Effective immediately.

Introduced February 1 and referred to Labor & Commerce and Finance.

Alzheimer's
Disease

SENATE BILL NO. 117, by Senators V. Fischer and Josephson. Would allow the Older Alaskan's Commission to "(10) make grants to nonprofit organizations for the operation of adult day-care centers that provide supervision, custodial care, and psychological and physical activities for persons afflicted with Alzheimer's disease and related disorders." (Amends AS 44.21.230, powers & duties of the Commission).

Amends duties of Dept. of Health & Social Services under AS 47.05.010 to require the department to "(14) operate or contract

COMMITTEE REPORTS (Senate)(cont'd)

SB 94 (cont'd)

cigarettes (defined as those weighing less than 1 pound per thousand cigarettes) comprise over 99 percent of all cigarettes manufactured, this analysis uses the 9.5 mill rate for assessing the revenue impact. After 9/30/85 the federal tax rate for small cigarettes will be \$4 per 1000 cigarettes. Thus the general fund portion of the cigarette tax will be levied at a rate of 5-1/2 mills per cigarette, an increase of 4 mills over the present state rate."

Palmer Hay
Flats State
Game Refuge
(enlarging)

SENATE BILL NO. 105, (see page 164). Reported back to the Senate from Resources March 4 with a majority recommending it be replaced with a Resources substitute and that it do pass. Concurring: Sturgulewski (Chairman), Eliason, Fahrenkamp, Halford, Coghill and Zharoff. To Finance.

The Resources CS includes the following changes:

--Adds approximately 1,200 acres to the southeast corner of the refuge, all state land recommended for inclusion by DNR and Fish & Game.

--Adds: "This Act does not prohibit expansion or improvement to the Glenn Highway or the Parks Highway, the potential Wasilla Bypass, or the construction of the interchange at the Parks and Glenn Highways."

--Includes the uplands in Section 36, Township 17 North, Range 1 West, Seward Meridian. Under original only included tide and submerged land.

The CS also reorganizes sections relating to the transfer of land owned by the Mat-Su Borough and purchase of land from private landowners. Does not make significant changes to the process.

Heavy
Vehicles
(registration)

SENATE BILL NO. 114, (see page 168). Reported back to the Senate from State Affairs with a majority of the committee recommending that it do pass. Concurring: Abood (Chairman), DeVries, Kelly and Ray. To Transportation.

Senior Citizen
Housing
(establishing)

SENATE BILL NO. 137, (see page 220). Reported back to the Senate from Community and Regional Affairs with a majority recommending it do pass with the following amendment: Page 1, line 26: Delete "shall" and insert "may." Concurring: DeVries (Chairman), Sturgulewski, Coghill and Ferguson. To Finance.

The amendment turns duties of the new Office of Senior Housing into powers: "The office may ..." rather than "The office shall ..."

Rights-of-Way
in Federal
Conservation
Units

SENATE JOINT RESOLUTION NO. 10, (see pages 175; 360). Reported back to the Senate from Resources March 4 with a majority recommending it be replaced with a Resources substitute and that it do pass. Concurring: Sturgulewski (Chairman), Halford, Fahrenkamp, Eliason, Coghill and Zharoff. To Transportation.

COMMITTEE REPORTS (Senate)(cont'd)

SB 99 (cont'd)

Note: the bill was on the March 22 calendar, but was held in second reading with a motion pending to advance it to third, until Monday, March 25.

Heavy
Vehicles
(registration)

SENATE BILL NO. 114, (see pages 168;396). Reported back to the Senate on March 19 by Transportation with the committee recommending it be replaced with a Transportation CS and that it do pass. Concurring: Coghill (Chairman), Faiks, Josephson and Paul Fischer. To Finance.

Changes wording of AS 28.10.021 to read: "Before issuance of a certificate of registration by the department, the owner shall pay all registration fees and taxes required under this chapter and federal heavy vehicle use taxes required under 26 U.S.C. 4481 (Internal Revenue Code of 1954) and shall comply with any other applicable statutes and regulations."

Original bill amended section to read: "Before issuance of a certificate of registration by the department, the owner shall pay all registration fees and taxes required under this chapter, Alaska motor freight carrier fees required under AS 42, and federal heavy vehicle use taxes required under sec. 4481 of the Internal Revenue Code of 1985 (26 U.S.C.), and shall comply ..."

Also makes minor clean-up amendment to new subsection added by Sec. 2: "... if the application fails to furnish proof [OF PAYMENT], in the form prescribed by the U.S. Secretary of the Treasury, that the tax has been paid." (Bracketed words deleted by CS.)

Alzheimer's
Disease

SPONSOR SUBSTITUTE FOR SENATE BILL NO. 117, (see pages 169; 333). Reported back to the Senate on March 20 by Health, Education & Social Services with the committee recommending it be replaced with a HESS substitute and that it do pass. Concurring: Fahrenkamp (Chairman), Josephson, Sturgulewski, DeVries and Paul Fischer. To Finance.

The HESS CS deletes Sec. 2 from the bill (directing the Dept. of Health and Social Services to operate or contract for the operation of a statewide Alzheimer's disease service in Anchorage). Remainder identical to SSSB 117.

Agriculture
Laws
(misc. amend-
ments)

SENATE BILL NO. 120, (see page 171). Reported back to the Senate on March 20 by Resources with the committee recommending it be replaced with a Resources substitute and as follows: Sturgulewski (Chairman), Coghill and Fahrenkamp signed "do pass"; Halford signed "do not pass"; Zharoff, Eliason and Vic Fischer signed "no recommendation." To Finance.

The Resources version makes the following changes:

--Further amends the duties of the Commissioner of Natural Resources in AS 03.05.010 to direct Commissioner to "establish and administer a grain warehouse and merchandising program." To this end, the powers of the Commissioner are expanded in AS 03.05.010(b)

DEPARTMENT OF PUBLIC SAFETY
POSITION PAPER - CSSB 114 (Trans)

SUPPORT

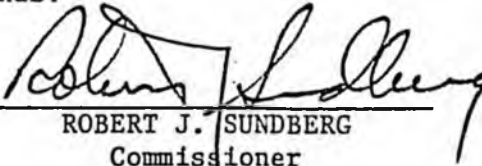
March 20, 1985

CSSB 114 (Transportation), An Act relating to the registration of heavy vehicles and providing for an effective date.

The United States Congress has amended the United States Code to reflect the Secretary of Transportation shall reduce the state's apportionment for federal-aid highway funds in any fiscal year beginning after October 1, 1985, if a vehicle subject to the use tax may be lawfully registered in the state without having presented proof of payment of the use tax.

Enforcement of a federal law by state registration processes is not a desirable use of state resources. However, the alternative, a loss of 25 percent of federal highway funds, leaves the state little choice. The state is not required to enforce or collect the federal tax but only to verify it has been paid before the vehicle is registered.

Therefore, it is felt this bill should be passed this session to bring Alaska in compliance with the federal requirement and avoid loss of the federal-aid highway funds.


ROBERT J. SUNDBERG
Commissioner

A message dated April 24, 1985, was read stating the Senate has passed the following and they are transmitted for consideration:

FIRST READING AND REFERENCE OF SENATE BILLS

CSSB 114(Trsp)

COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 114 (Transportation) by the Transportation Committee, entitled:

"An Act relating to the registration of heavy vehicles; and providing for an effective date."

was read the first time and referred to the Transportation and Finance Committees.

SSSB 262

SPONSOR SUBSTITUTE FOR SENATE BILL NO. 262 by P. Fischer, entitled:

"An Act relating to Amateur Radio Week."

was read the first time and referred to the State Affairs Committee.

CSSB 266(SA)

COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 266 (State Affairs) by the State Affairs Committee, entitled:

"An Act placing certificated teachers employed by the Department of Education, in schools operated by the department, in the exempt service; and providing for an effective date."

was read the first time and referred to the State Affairs Committee.

REPORTS OF STANDING COMMITTEES

CSSB 190(Fin)am

The Community & Regional Affairs Committee has considered COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 190 (Finance) amended (relating to the residential property tax exemption

CSSB 190(Fin)am

and tax equivalency and reimbursement payments; effective date) and reports it back as follows: Goll (Chairman), Phillips, Gruenberg and Marrou recommend do pass; Wallis has no recommendation.

CSSB 190(Fin)am was referred to the Finance Committee.

HB 15

The State Affairs Committee has considered HOUSE BILL NO. 15 (requiring an advisory election before an annexation may be proposed to the legislature), recommends it be replaced with COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 15 (Community & Regional Affairs) (page 881) and reports it back as follows: Hurley (Chairman), M.M. Miller, Cato and Boucher recommend do pass; Navarre, Collins and Jenkins have no recommendation.

NB 15 was referred to the Finance Committee.

HB 60

The Finance Committee has considered HOUSE BILL NO. 60 (making appropriations for the operating and capital expenses of state government; effective date), recommends it be replaced with COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 60 (Finance):

"An Act making appropriations for the operating and loan program expenses of state government; and providing for an effective date."

and reports it back as follows: Adams (Chairman), Ringstad, Szymanski, Duncan, Larson, Pourchot, Frank, Binkley and Cotten recommend do pass; Uehling and Rieger have no recommendation.

HB 60 was referred to the Rules Committee for placement on the calendar.

HB 114

The Judiciary Committee has considered HOUSE BILL NO. 114 (relating to correctional facilities, and the imprisonment and rehabilitation of offenders), recommends it be replaced with COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 114 (Judiciary) (same title) and reports it back as follows: M.M. Miller (Chairman), Sund, Gruenberg, Taylor and Phillips recommend do pass; Clocksin and Pettyjohn have no recommendation.

HB 114 was referred to the Finance Committee.

There were no stated objections to confirmation by committee members. This does not necessarily indicate an intention to vote for or against Commissioner Nordale at the time of the joint session on confirmation."

The report was signed by Senators Faiks and Sackett, Co-Chairmen and concurred in by Senators Eliason, Ferguson, Paul Fischer, Halford and Kerttula.

SCR 19

The Finance Committee considered SENATE CONCURRENT RESOLUTION NO. 19 (Joint Special Committee on Legislative Salaries) and recommended it be replaced with

CS FOR SENATE CONCURRENT RESOLUTION NO. 19 (FIN),

Establishing a Joint Special Committee on
Legislative Salaries

Senator Faik's, Co-Chairman and Senators Eliason and Sackett signed "do pass". Senators Kerttula, Halford, Paul Fischer and Ferguson signed "no recommendation".

Fiscal note is zero.

SENATE CONCURRENT RESOLUTION NO. 19 was referred to the Rules Committee.

SB 114

The Finance Committee considered SENATE BILL NO. 114 (registration of heavy vehicles; efd) and recommended the Transportation Committee Substitute be adopted and do pass. The report was signed by Senator Faiks, Co-Chairman and concurred in by Senators Kerttula, Halford, Paul Fischer, Ferguson, Eliason and Sackett.

SENATE BILL NO. 114 was referred to the Rules Committee.

SB 201

The Resources Committee considered SENATE BILL NO. 201 (public access fund) and recommended it be replaced with

CS FOR SENATE BILL NO. 201 (RES)

with a majority do pass. The report was signed by Senator Sturgulewski, Chairman and concurred in by Senators Vic Fischer, Eliason and Coghill. Senators Zharoff and Halford signed "no recommendation".

April 22, 1985

869

HB 294

HOUSE BILL NO. 294 by Representatives Boucher, Davis, Hurley, Sund, Koponen, Goll, Cato, Clocksin, Cotten, Duncan, Frank, Gruenberg, Grussendorf, Hanley, Jenkins, Larson, M.M. Miller, Navarre, Pearce, Pignalberi, Pourchot, Shultz, Szymanski, Taylor, Thompson, Uehling, Martin, Binkley, Collins, Marrou, Adams, Pettyjohn, M.W. Miller, Phillips, Rieger and Fuller, entitled:

"An Act relating to preferential hire of Alaskans; and providing for an effective date."

was read the first time and referred to the Labor and Commerce Committee and the Finance Committee.

HB 316

CS FOR HOUSE BILL NO. 316 (FIN) am by the Finance Committee, entitled:

"An Act relating to the navigable or public waters of the state; and providing for an effective date."

was read the first time and referred to the Resources Committee and the State Affairs Committee.

COMMUNICATIONS

Received and posted April 22:

Notice of proposed changes in the regulations of the Department of Health and Social Services, dealing with implementation of the Special Supplemental Food Program for Women, Infants and Children

STANDING COMMITTEE REPORTS

"April 18, 1985

To: Senator Don Bennett
President of the Senate

Pursuant to your instructions and in accordance with AS 39.05.080, the Senate Finance Committee has considered the Governor's appointment of Mary Nordale as Commissioner of Revenue.

March 19, 1985

577

SJR 10 cont'd

SENATE JOINT RESOLUTION NO. 10 was referred to the Finance Committee.

SB 56

The Finance Committee considered SENATE BILL NO. 56 (amending the longevity bonus program and the permanent fund dividend program, establishing an annuity program; efd) and recommended it be replaced with

CS FOR SENATE BILL NO. 56 (FIN), entitled:

"An Act relating to a longevity bonus; and providing for an effective date."

with a majority do pass. The report was signed by Senator Faiks, Co-Chairman and concurred in by Senators Halford, Kerttula, Paul Fischer, Ferguson and Eliason. Senator Sackett signed "no recommendation".

Seven zero fiscal notes prepared by the Finance Committee on Department of Administration, Division of Labor Services and Division of Centralized Administrative Services; Health and Social Services, Division of Medical Assistance and Division of Adult Public Assistance, Old Age Assistance; Department of Revenue, Treasury Division and Division of Public Services; and Department of Revenue, Permanent Fund, Administrative Services, Enforcement and Public Services were attached. Fiscal note from Department of Administration, Social and Economic Assistance for the Aged, appears in Supplement No. 22.

SENATE BILL NO. 56 was referred to the Rules Committee.

SB 114

The Transportation Committee considered SENATE BILL NO. 114 (registration of heavy vehicles; efd) and recommended it be replaced with

CS FOR SENATE BILL NO. 114 (TRSP)

with a majority do pass. The report was signed by Senator Coghill, Chairman and concurred in by Senators Faiks, Josephson and Paul Fischer.

SENATE BILL NO. 114 was referred to the Finance Committee.

SB 94 cont'd

Thus the general fund portion of the cigarette tax will be levied at a rate of 5-1/2 mills per cigarette, an increase of 4 mills over the present state rate."

SENATE BILL NO. 94 was referred to the Rules Committee.

SB 114

The State Affairs Committee considered SENATE BILL NO. 114 (registration of heavy vehicles; efd) and a majority of the committee recommended do pass. The report was signed by Senator Abood, Chairman and concurred in by Senators DeVries, Kelly and Ray.

SENATE BILL NO. 114 was referred to the Transportation Committee.

INTRODUCTION AND REFERENCE OF SENATE RESOLUTIONS

SCR 12

SENATE CONCURRENT RESOLUTION NO. 12 by Senator Kerttula,

Relating to the construction and lease of senior citizens' housing and centers, and the Kenai Pioneers' Home,

was read the first time and referred to the State Affairs Committee and the Finance Committee.

INTRODUCTION AND REFERENCE OF SENATE BILLS

SB 131

SPONSOR SUBSTITUTE FOR SENATE BILL NO. 111 by Senator Vic Fischer, entitled:

"An Act relating to prohibited campaign solicitations."

was read the first time and referred to the State Affairs Committee, the Judiciary Committee and the Finance Committee.

SB 49

The Transportation Committee considered SENATE BILL NO. 49 (special appropriation to the Department of Transportation and Public Facilities to determine the feasibility of building Kantishna Road; efd). Senator Coghill, Chairman, signed "do pass". Senators Paul Fischer and Faiks signed "no recommendation". Senator Josephson signed "do not pass".

SENATE BILL NO. 49 was referred to the Finance Committee.

SB 94

The Finance Committee considered SENATE BILL NO. 94 (increasing the excise tax on cigarettes; efd) and recommended the Health, Education and Social Services Committee Substitute be adopted with the following amendment:

Page 1, lines 21-28: Delete all material and insert:

Sec. 2. AS 43.50.190(a). If a federal excise tax on cigarettes under 26 U.S.C. 5701(b) is equal to or greater than 8 mills per small cigarette or 16.8 mills per large cigarette, then there is levied an additional state excise tax on each cigarette imported or acquired in the state of 1.5 mills. If the federal excise tax is less than 8 mills per small cigarette or 16.8 mills per large cigarette, then there is levied an excise tax in an amount sufficient to make the total of the federal tax and the additional state tax levied by this section on each cigarette imported or acquired in this state equal to

- (1) 9.5 mills on each small cigarette; and
- (2) 18.3 mills on each large cigarette."

with a majority do pass. Senator Faiks, Chairman, signed "do pass as amended". Senators Kerttula, Paul Fischer and Sackett signed "do pass". Senator Eliason signed "no recommendation".

Department of Revenue fiscal note is zero with analysis: "Under present state law the total state tax on cigarettes is 4 mills (\$.004) per cigarette. This four mill levy is divided between two funds with 2-1/2 mills going to the school fund and 1-1/2 mills going to the general fund. CSSB 94 is only concerned with the general fund portion of the tax.

CSSB 94 specifies that the total of federal and state tax on each cigarette will be (1) 9.5 mills for each small cigarette and (2) 18.3 mills for each large cigarette. Because 'small' cigarettes (defined as those weighing less than 3 pounds per thousand cigarettes) comprise over 99 percent of all cigarettes manufactured, this analysis uses the 9.5 mill rate for assessing the revenue impact. After 9/30/85 the federal tax rate for small cigarettes will be \$4 per 1000 cigarettes.

SB 114
CSRB 114 TRSP

MEASURE HISTORY

PAGE 01 OF 02

AN ACT RELATING TO THE REGISTRATION OF HEAVY VEHICLES; AND PROVIDING FOR AN EFFECTIVE DATE.

PRIME SPONSOR: RULES COMMITTEE
CO-SPONSORS:

BY REQ OF THE GOVERNOR

\$16,200 GENERAL(FNOTE)

\$000 OTHER(FNOTE)

CURRENT STATUS: (H) TRSP

DATE	PAGE	ACTION
01/30/85	176	READ THE FIRST TIME
01/30/85	176	GOVERNOR'S TRANSMITTAL LETTER
01/30/85	176	FISCAL NOTE SS#10
03/05/85	468	SA RPT ADF
05/19/85	577	TRSP RPT CS AIP
04/22/85	870	FIN RPT 7 DP TRSP CS
04/24/85	907	PLS RPT CALENDAR TODAY
04/24/85	908	READ THE SECOND TIME
04/24/85	908	TRSP CS ADOPTED UNAN CONSENT
04/24/85	908	ADVANCED TO THIRD READING UNAN CONSENT

SB 114

MEASURE HISTORY

PAGE 02 OF 02

DATE	PAGE	ACTION
04/24/85	909	READ THE THIRD TIME
04/24/85	909	PASSED Y17 N- X1 P2
04/24/85	909	EFFECTIVE DATE SAME AS PASSAGE
04/24/85	913	TRANSMITTED TO (H)
04/25/85	1075	READ THE FIRST TIME
		TRANSPORTATION
		FINANCE
		RULES

MINUTES FOR SB 114

- J - State Affairs
- J - Transportation
- J - FIN NOT AVAILABLE
IN STAIRS YET

SEARCH - QUERY
00005 SB ADJ 114

SSA 0305850 DOCUMENT# 1 OF 2

COMM = SSA
DATE = 030585
TIME = 0830
YEAR = 85
DOC ID SSA 0305850830
HEADING

MINUTES FOR SB 114

SENATE STATE AFFAIRS
STANDING COMMITTEE
MARCH 5, 1985
8:30 A.M.

MEMBERS PRESENT: SENATOR MITCH ABOOD, CHAIR
SENATOR EDNA DEVRIES, VICE
SENATOR TIM KELLY
SENATOR BILL RAY
SENATOR VIC FISCHER

MEMBERS ABSENT: AMENDED TITLE: AN ACT RELATING TO THE
REGISTRATION OF HEAVY VEHICLES, AND PROVIDING
FOR AN EFFECTIVE DATE.

CALENDAR SB 114

SB 122 AMENDED TITLE: AN ACT PLACING DIVISION OF
GEOLOGICAL AND GEOPHYSICAL SURVEYS PETROLEUM
ENGINEERS AND PETROLEUM GEOLOGISTS IN THE EXEMPT
SERVICE AND INCLUDING THE PROFESSIONAL STAFF OF
THE OIL AND GAS CONSERVATION COMMISSION IN THE
LISTING OF MEMBERS OF THE EXEMPT SERVICE; AND
PROVIDING FOR AN EFFECTIVE DATE.

SB 130 AMENDED TITLE: AN ACT RELATING TO A NEW
DEFINITION FOR 'MOTOR-DRIVEN CYCLE'.

WITNESS REGISTER

WITNESS:
BILL BROWN
DIVISION OF MOTOR VEHICLES
DEPARTMENT OF PUBLIC SAFETY
MS 2400, JUNEAU, ALASKA 99811
POSITION STATEMENT: HE WAS IN SUPPORT OF SB 114 AND SB 130.

WITNESS:
NED FARQUHAR
DEPARTMENT OF NATURAL RESOURCES
POUCH Z JUNEAU, ALASKA 99811
POSITION STATEMENT: HE WAS IN SUPPORT OF SB 122 AND URGED ITS
PASSAGE.

WITNESS:
BURKE RILEY
2000 GLACIER AVENUE JUNEAU, ALASKA 99801
POSITION STATEMENT: HE WAS TO BE CONFIRMED TO THE APOC AND ANSWERED
QUESTIONS FROM THE COMMITTEE MEMBERS.

WITNESS:
MIKE MCMULLEN
DIVISION OF PERSONNEL
POUCH C. JUNEAU, ALASKA 99811
POSITION STATEMENT: OBSERVER

WITNESS:
CAROL DERFENER

BOARDS & COMMISSION
OFFICE OF THE GOVERNOR
POUCH A. JUNEAU, ALASKA 99811
POSITION STATEMENT: OBSERVER

PREVIOUS ACTION

SB 114 NO PREVIOUS ACTION TO RECORD IN STATE AFFAIRS.
SB 122 NO PREVIOUS ACTION TO RECORD IN STATE AFFAIRS.
SB 130 NO PREVIOUS ACTION TO RECORD IN STATE AFFAIRS.

ACTION NARRATIVE

TAPE#1 FOR 03/05/85 SIDE A.
RECORDING
NUMBER 0008 MEETING WAS CALLED TO ORDER AT 8:40 A.M.
CHAIRMAN ABOOD INDICATED THE MEMBERS PRESENT AND
SAID THAT THERE HAD BEEN A GREAT DEAL OF
CONTROVERSY OVER WHAT HAD BEEN DONE WITH BOARD
AND COMMISSION APPOINTEES AND WHAT HAS NOT BEEN
DONE. HE REQUESTED THAT CAROL DERFENER GIVE THE
COMMITTEE SOME CLARIFICATION.

NUMBER 0109 CHAIRMAN ABOOD SAID, "THE GOVERNOR IS SUPPOSED
TO CHOOSE NEW APOC COMMISSIONERS FROM A LIST OF
FOUR NAMES SUBMITTED TO HIM BY THE CENTRAL
COMMITTEES OF THE RESPECTIVE POLITICAL PARTIES
REQUIRED BY AS 15.13.020(B)". THERE HAS BEEN
SOME CONCERN RECENTLY THAT THERE HAVE BEEN
APPOINTMENTS THAT WEREN'T TAKEN FROM THE LIST
APPOINTEES". CAROL DERFENER RESPONDED THAT
APPOINTEES COME FROM DIFFERENT LISTS. SOMETIMES
THE CENTRAL COMMITTEES AND SOMETIMES FROM
WRITTEN LETTERS. THERE APPEARS TO BE MORE THAN
ONE FORM OF OUTREACH TO OBTAIN CANDIDATES. IN
GOVERNOR HAMMOND'S ADMINISTRATION TELEGRAMS AND
EVEN HAND WRITTEN LETTERS WERE SUBMITTED.
BURKE RILEY TAKES THE STAND AS A CONFIRMEE TO
THE APOC. HE ANSWERED QUESTIONS FROM THE
COMMITTEE. AFTER STATEMENTS, SENATOR RAY SAID
THAT MR. RILEY NEVER REFUSES A CHALLENGE AND IS
WILLING TO OFFER HIS EXPERTISE.

NUMBER 0213 THE COMMITTEE CONFIRMED DORIS VOLZKE AND SANDRA
HENNICKS TO THE COMMISSION ON HUMAN RIGHTS; AND
BURKE RILEY TO THE APOC. SENATOR KELLY MOVED
THAT THEIR NAMES BE SENT BACK TO THE SENATE
PRESIDENT.

NUMBER 0485 BILL BROWN WITH DMV ADDRESSED SB LL4. HE SAID
THAT THE UNITED STATES CONGRESS HAS AMENDED THE
US CODE TO REFLECT THE SEC. OF TRANSPORTATION
SHALL REDUCE THE STATE'S APPOINTMENT FOR
FEDERAL AID HIGHWAY FUNDS IN ANY FISCAL YEAR
BEGINNING AFTER OCTOBER 1, 1985, IF A VEHICLE
SUBJECT TO THE USE TAX MAY BE LAWFULLY
REGISTERED IN THE STATE WITHOUT HAVING PRESENTED
PROOF OF PAYMENT OF THE USE OF TAX. HE URGED
SUPPORT FOR SB LL4.

NUMBER 0548 SENATOR RAY MOVED PASSAGE OF SB LL4 AND ASKED
FOR INDIVIDUAL RECOMMENDATIONS. THE BILL PASSED
WITH UNANIMOUS CONSENT.

NUMBER 0600 NED FARQUHAR SAID THAT DEPT. OF NATURAL

RESOURCES WAS IN SUPPORT OF SB 122. HE SAID
THAT THEY HOPED IT WOULD PASS IN PREPARATION FOR
THE OIL AND GAS LEASE SALES COMING UP. THEIR
DEPARTMENT HAS SOME PEOPLE IN CLASSIFIED SERVICE
AND SOME IN EXEMPT SERVICE. THE STATUTE STATES
THEY SHALL BE IN EXEMPT SERVICE, INCLUDING THE
STAFF. HE SAID THAT THEY NEED TO BE ABLE TO GET
THE BEST PEOPLE AVAILABLE AND WORKING WITH
REGISTERS PREVENTS THAT, WHEN YOU HAVE EXPERTS
LIVING IN SAUDI ARABIA.

NUMBER 0659 CHAIRMAN ABOOD OFFERED SOME AMENDMENTS PROPOSED
BY CHAT CHATTERTON. ONE LINES 13-4 INSERT "THE
PROFESSIONAL STAFF OF" AFTER AND AND DELETES "BY"
AND "EXCEPT FOR THOSE EMPLOYED IN THE DIV. OF
GEOLOGICAL AND GEOPHYSICAL SURVEYS IN THE DEPT.
OF NATURAL RESOURCES". IT WAS POINTED OUT THAT
THIS WOULD REQUIRE A NEW TITLE TO ADD
PROFESSIONAL STAFF.

NUMBER 0781 SENATOR KELLY MOVED THE LANGUAGE BE ADOPTED INTO
A CS AND ASKED THAT THE SB 122 BE MOVED WITH
INDIVIDUAL RECOMMENDATIONS. THE BILL PASSED WITH
UNANIMOUS CONSENT.

NUMBER 0800 BILL BROWN TAKES THE STAND ON SB 130. HE SAID
THAT A CYCLE THAT HAS LESS THAN 150 CC'S AND A
BRAKE HORSEPOWER OF 5 OR LESS IS CLASSIFIED BY
THE DMV AS A MOTOR-DRIVEN CYCLE. THE PRESENT
WORDING STATES "OR WITH NOT TO EXCEED FIVE
BRAKE HORSEPOWER". THERE ARE ON MARKET TODAY,
MANY CYCLES THAT HAVE BEEN LESS THAN 150 CC'S
BUT ARE DEFINITELY MORE THAN 5 BRAKE HORSEPOWER.
HE URGED PASSAGE OF SB 130. DISCUSSION
COMMENCED.

NUMBER 0842 SENATOR KELLY MOVED TO DELETE "LESS THAN 150" ON
LINE 12 AND INSERT "50" AND AT THE END OF LINE
12 ADD "OR LESS" AND MAKE A CS. HE THEN MOVED
TO ADOPT CSSB 130 AND ASKED FOR INDIVIDUAL
RECOMMENDATIONS. SB 130 PASSED WITH SENATOR'S
ABOOD, DEVRIES AND KELLY INDICATING 'DO PASS'
AND SENATOR RAY SAID NO RECOMMENDATION.

NUMBER 0855 FOR THE RECORD, SENATOR RAY WANTED TO NOTE THAT
HE WAS NOT IN FAVOR OF HIRING THE ATTORNEYS FOR
APOC THAT TOOK PLACE ON 02/28/85.
THERE BEING NO FURTHER BUSINESS, MEETING
ADJOURNED AT 9:40 A.M.

END OF DOCUMENT

SEARCH - QUERY
00005 SB ADJ 114

ST 0318051 DOCUMENT# 2 OF 2

MINUTES SB 114

COMM = ST
DATE = 031985
TIME = 1534
YEAR = 85
DOC ID ST 0318051534
HEADING

SENATE TRANSPORTATION
STANDING COMMITTEE
MARCH 18, 1985
3:34 P.M.

MEMBERS PRESENT: SENATOR JACK COGHILL, CHAIR
SENATOR JAN FAIKS
SENATOR JOE JOSEPHSON
SENATOR MITCH ABOOD
SENATOR PAUL FISCHER

CALENDAR SB 114 AMENDED TITLE: AN ACT RELATING TO THE
REGISTRATION OF HEAVY VEHICLES; AND PROVIDING
FOR AN EFFECTIVE DATE.

HJR 16 AMENDED TITLE: RELATING TO ESSENTIAL AIR
SERVICE.

SJR 10 AMENDED TITLE: REQUESTING THAT THE DEPARTMENT
OF NATURAL RESOURCES AND THE DEPARTMENT OF
TRANSPORTATION AND PUBLIC FACILITIES TO EXPEDITE
THE IDENTIFICATION AND ESTABLISHMENT OF
RIGHTS-OF-WAY FOR ROADS AND TRAILS ON FEDERAL
BUREAU OF LAND MANAGEMENT PLATS WHICH QUALIFY
UNDER RS 2477.

WITNESS REGISTER

WITNESS:
JAMES E. FISHER
DEPARTMENT OF LAW
POUCH KE
JUNEAU, AK 99811
465-3472
POSITION STATEMENT: SPOKE IN FAVOR OF SB 114 AND OFFERED AN
AMENDMENT TO THE BILL.

WITNESS:
BOB JACOBSON
ALASKA AIR CARRIERS ASSOCIATION
NO ADDRESS GIVEN
799-0790
POSITION STATEMENT: SPOKE IN FAVOR OF THE COMMITTEE SUBSTITUTE FOR
HJR 16.

WITNESS:
REPRESENTATIVE DAVE THOMPSON
ALASKA STATE LEGISLATURE
POUCH V
JUNEAU, AK 99811
465-2498
POSITION STATEMENT: SPOKE AS PRIME SPONSOR OF HJR 16 IN FAVOR OF THE
RESOLUTION AND THE PROPOSED COMMITTEE SUBSTITUTE
BY SENATE TRANSPORTATION.

WITNESS:
BILL BROWN
DIVISION OF MOTOR VEHICLES
DEPARTMENT OF PUBLIC SAFETY
450 WHITTIER STREET
JUNEAU, AK 99811
465-4322
POSITION STATEMENT: SPOKE IN FAVOR OF SB 114.

PREVIOUS ACTION

SB 114 PLEASE REFER TO SENATE STATE AFFAIRS COMMITTEE
MINUTES DATED 03/05/85.

HJR 16 NO SENATE PREVIOUS ACTION TO RECORD ON HJR 16.
PLEASE REFER TO HOUSE RULES COMMITTEE ACTION
DATED BEFORE 02/25/85 AND HOUSE TRANSPORTATION
COMMITTEE ACTION DATED BEFORE 02/20/85.

SJR 10 PLEASE REFER TO SENATE RESOURCES COMMITTEE
MINUTES DATED 03/04/85 AND 02/22/85.

ACTION NARRATIVE

TAPE#1 FOR 3/18/85, SIDE A.
RECORDING
NUMBER 000 THE MEETING OF THE SENATE TRANSPORTATION
COMMITTEE WAS CALLED TO ORDER AT 3:34 P.M. WITH
ALL MEMBER SENATORS PRESENT.

NUMBER 001 MEETING CALLED TO ORDER BY CHAIRMAN COGHILL THE
SENATORS PRESENT WERE NOTED FOR THE RECORD.

NUMBER 050 SJR 10, REQUESTING THAT THE DEPARTMENT OF
NATURAL RESOURCES AND THE DEPARTMENT OF
TRANSPORTATION AND PUBLIC FACILITIES TO EXPEDITE
THE IDENTIFICATION AND ESTABLISHMENT OF
RIGHTS-OF-WAY FOR ROADS AND TRAILS ON FEDERAL
BUREAU OF LAND MANAGEMENT PLATS WHICH QUALIFY
UNDER RS 2477, WAS BROUGHT BEFORE THE COMMITTEE
FOR CONSIDERATION.
CHAIR COGHILL CALLED FOR PUBLIC TESTIMONY, NO
ONE CAME FORWARD. THE RESOLUTION WAS EXPLAINED
BY CHAIR COGHILL, THE PRIME SPONSOR.

NUMBER 060 SENATOR ABOOD MOVED AND ASKED UNANIMOUS CONSENT
THAT SJR 10 BE MOVED FROM COMMITTEE WITH
INDIVIDUAL RECOMMENDATIONS. WITH NO OBJECTION,
IT WAS SO ORDERED BY THE CHAIRMAN. SENATORS
ABOOD, FAIKS, PAUL FISCHER, AND COGHILL SIGNED
"DO PASS"; SENATOR JOSEPHSON SIGNED "NO
RECOMMENDATION."

NUMBER 084 COMMITTEE SUBSTITUTE FOR HJR 16, RELATING TO
ESSENTIAL AIR SERVICE, WAS BROUGHT BEFORE THE
COMMITTEE.

NUMBER 103 REPRESENTATIVE DAVE THOMPSON CAME FORWARD TO
GIVE HIS SUPPORT TO THE RESOLUTION AS ITS PRIME
SPONSOR. HE SAID THAT HE HAD NO PROBLEM WITH
THE PROPOSED SENATE TRANSPORTATION COMMITTEE
SUBSTITUTE.

NUMBER 145 SENATOR FAIKS POINTED TO THE FACT THAT THE
ESSENTIAL AIR SERVICE SUBSIDY TOTALS 35 MILLION
DOLLARS A YEAR AND THAT ALASKA GETS ONLY 4.5
MILLION OF THAT TOTAL. SENATOR FAIKS ASKED THE
COMMITTEE IF THEY FELT OBLIGATED TO HELP THE

NUMBER 320 PRESIDENT OF THE UNITED STATES REDUCE THE
FEDERAL BUDGET DEFICIT.
DISCUSSION FOLLOWED AS TO THE DISPOSITION OF THE
ESSENTIAL AIR SERVICE SUBSIDIES.

NUMBER 445 BOB JACOBSON OF THE ALASKA AIR CARRIERS
ASSOCIATION CAME FORWARD AND EXPLAINED THE
HISTORY OF THE ESSENTIAL AIR SERVICE SUBSIDY.

NUMBER 450 SENATOR P. FISCHER MOVED AND ASKED UNANIMOUS
CONSENT THAT THE COMMITTEE SUBSTITUTE TO
COMMITTEE SUBSTITUTE HJR 16 BE ADOPTED BY THE
COMMITTEE. WITH NO OBJECTION IT WAS SO ORDERED
BY THE CHAIRMAN.

NUMBER 560 SENATOR ABOOD MOVED AND ASKED UNANIMOUS CONSENT
THAT THE CS TO CS HJR 16 BE MOVED FROM THE
COMMITTEE WITH INDIVIDUAL RECOMMENDATIONS. WITH
NO OBJECTION IT WAS SO ORDERED BY THE CHAIRMAN.
SENATORS JOSEPHSON, ABOOD, PAUL FISCHER, COGHILL
SIGNED "DO PASS", SENATOR FAIKS SIGNED "NO
RECOMMENDATION".

NUMBER 566 SB 114 WAS BROUGHT IN FRONT OF THE COMMITTEE BY
THE CHAIRMAN.

NUMBER 740 JAMES E. FISHER CAME FORWARD AND TESTIFIED
REGARDING THE BILL THAT HE HAD DRAFTED I.E. SB
114.
DISCUSSION FOLLOWED REGARDING THE HISTORY OF THE
FEDERAL GOVERNMENT'S MOVES REGARDING HEAVY
VEHICLE REGISTRATION.

NUMBER 760 BILL BROWN OF THE DEPARTMENT OF MOTOR VEHICLES
CAME FORWARD AND TOLD OF THE MECHANISM THAT
WOULD BE USED BY THE DMV TO REGISTER HEAVY
VEHICLES.

NUMBER 770 SENATOR FAIKS MOVED THE AMENDMENT THAT HAD BEEN
SUGGESTED BY MR. FISHER TO DELETE THE LANGUAGE
REFERRING TO THE NOW DEFUNCT ALASKA
TRANSPORTATION COMMISSION.

NUMBER 791 WITH NO OBJECTION IT WAS SO ORDERED BY THE
CHAIRMAN.

NUMBER 791 SENATOR FAIKS MOVED THAT THE COMMITTEE
SUBSTITUTE FOR SB 114 BE ADOPTED AND MOVED FROM
THE COMMITTEE WITH INDIVIDUAL RECOMMENDATIONS.
WITH NO OBJECTION IT WAS SO ORDERED BY THE
CHAIRMAN. SENATORS FAIKS, JOSEPHSON, PAUL
FISCHER, AND COGHILL SIGNED "DO PASS."

NUMBER 788 MEETING ADJOURNED BY CHAIRMAN COGHILL 4:15 P.M.

R0601 * END OF DOCUMENTS IN LIST - ENTER RETURN OR ANOTHER COMMAND.

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: SB 110
 Title: An Act relating to the registration of heavy vehicles
 Sponsor: _____
 Requestor: _____
 Date of Request: _____

FISCAL DETAIL

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

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES		8.8	9.3	9.9	10.5	11.1
200 TRAVEL						
300 CONTRACTUAL		7.4	5.5	5.8	6.1	6.5
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING		16.2	14.8	15.7	16.6	17.6
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND		16.2	14.8	15.7	16.6	17.6
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME Seasonal		1	1	1	1	1
TEMPORARY						

ANALYSIS: Attach a separate page if necessary *

Will require proof of IRS filing or payment of the Federal Heavy Truck Use Tax prior to registration for all motor vehicles with a gross vehicle weight (GVW) of 33,000 lbs or over. Alaska vehicle classifications are based on unladen weight rather than GVW, so it is not possible to determine exactly how many vehicles are affected, but an estimate based on unladen weight would be 2,500 to 3,500 vehicles.

Prepared By: Charles R. Hosack
 Division: Motor Vehicles

Phone: 269-5561
 Date: 10-15-84

Approved by Commissioner: [Signature]
 Agency: Public Safety

Date: 12/16/84

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

7/1/84

DPS FISCAL NOTE

HEAVY VEHICLE USE TAX

ANALYSIS (Continued)

Notification to vehicle owners and collection of the proper forms would require a special mailing, and individual handling. Most of these vehicles are commercial vehicles registered during December, so one position working four months, October through January, would be able to accomplish most of the work and the rest would be absorbed by existing positions.

Cost detail for the program is as follows:

100	Motor Vehicle Representative I, Range 8, 4 months		8.8
300	Mailing Cost	1.4	
	Forms	1.0	
	Data Processing Programming	2.0	
	Data Processing Maintenance	3.0	
		<u>7.4</u>	
			<u>7.4</u>
			16.2

An inflation factor of 6% has been applied to costs beyond FY86.

