

COMMITTEE REPORT  
SENATE

FURTHER:

5/7/86

Date 5/11/86

Mr. President

The Committee on FINANCE considered CSHB 535(Fin)am

relating to the insurance requirements for obtaining and maintaining motor vehicle registration, and the insurance requirements for motor-driven cycles; 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 SCS for CSHB 535(S.A.)
- new title
- same title and recommends \_\_\_\_\_
- and attached a "LETTER OF INTENT"  NEW FISCAL NOTE  
15.0 HFC/P3.
- reports it back without recommendation
- recommends referral to \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

MEMBERS HAVING  
OTHER RECOMMENDATIONS

[Signature]  
\_\_\_\_\_  
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[Signature] NDR  
Paul Fick N/R  
[Signature]  
Rich Halford DO NOT PASS  
\_\_\_\_\_  
\_\_\_\_\_

[Signature]  
-Chairman  
N/R  
Chairman recommendation

Offered: 5/8/86  
Referred: Finance

Original sponsors: Rieger, Ringstad,  
Gruenberg, et al

1 IN THE HOUSE BY THE STATE AFFAIRS COMMITTEE  
2 SENATE CS FOR CS FOR HOUSE BILL NO. 535 (State Affairs)  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 FOURTEENTH LEGISLATURE - SECOND SESSION  
5 A BILL

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

19       \* Sec. 6. This Act takes effect July 1, 1987.

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

Revision Date: 4/25/86

**REQUEST**

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

**FISCAL DETAIL**

Agency Affected: Public Safety  
 BRU: Motor Vehicles  
 Components: \_\_\_\_\_

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

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

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

GENERAL FUND		15.0	---	---	---	---
FEDERAL FUNDS		0	---	---	---	---
OTHER		0	---	---	---	---
<b>TOTAL</b>		<b>15.0</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>

**POSITIONS :**

FULL-TIME		0				
PART-TIME		0				
TEMPORARY		0				

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

The \$15.0 provided under contractual is to promote and advertise the new registration requirement before the law becomes effective on July 1, 1987. If the ad campaign is effective, the division should not need additional positions to handle increased work load created because the public is not aware of the new requirement. If additional positions and funding are needed, they should be requested through the regular budget process in the future.

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

Approved by Commissioner: \_\_\_\_\_ Date: \_\_\_\_\_  
 Agency: \_\_\_\_\_

ANALYSIS OF CSHB 535 (Finance)

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

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

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

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

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

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

/wtl

5/9/86

SECTIONAL ANALYSIS OF SCS CSHB 535 (SA)

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

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

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

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

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

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

(Prepared by Rep. Rieger's Office)

5/9/86

COMPARISON OF SCS CSHB 535 (SA) AND CSHB 535 (FIN) AM

The House and Senate State Affairs versions of HB 535 are identical, except that the Senate State Affairs CS deletes Sec. 5 from the House version. This provision, inserted as a House floor amendment, would have required insurance companies and other insurers to notify the department of public safety within 10 days after cancellation of a motor vehicle liability insurance policy, unless the vehicle is a motor-driven cycle.

(Prepared by Rep. Rieger's Office)

INFORMATION SHEET

Six-point Traffic Violations

Failure to yield to an emergency vehicle

Failure to yield to a flashing blue light

Failure of blue light to yield to authorized vehicle

Exceeding posted speed limit -- 20 or more over

Altered speed limits -- 20 or more over

Speeding in school zone/playground/crosswalk

Exceeding speed limit by 20 or more when:

    Passing school bus

    Towing mobile home

    Crossing bridge

Impeding

Failure to stop for school bus displaying red lights

Driving with driver's license revoked/cancelled/suspended

Driving in violation of limitation

Exceeding 20 mph when overtaking school bus

Operating motor vehicle while intoxicated

Reckless operation

Negligent operation

Hit and run

Reckless driving at state airport

Exceeding speed limit by 20 or more at airport

Exceeding speed limit by 20 or more in state park

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

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

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

Drivers Cited for Six-point  
Traffic Violations

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

VEHICLES COVERED UNDER HB 535

§ 28.10.010

ALASKA STATUTES

§ 28.10.011

Chapter 10. Vehicle Registration and Title.

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

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

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

NOTES TO DECISIONS

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

§ 28.22.130

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§ 28.22.200

MOTOR VEHICLES

§ 28.22.210

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

Article 3. Proof of Insurance Required.

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

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

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

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

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

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

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

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

DIVISION OF MOTOR VEHICLES  
STATISTICS ON UNINSURED MOTORISTS  
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    Towing mobile home

    Crossing bridge

Impeding

Failure to stop for school bus displaying red lights

Driving with driver's license revoked/cancelled/suspended

Driving in violation of limitation

Exceeding 20 mph when overtaking school bus

Operating motor vehicle while intoxicated

Reckless operation

Negligent operation

Hit and run

Reckless driving at state airport

Exceeding speed limit by 20 or more at airport

Exceeding speed limit by 20 or more in state park

# Alaska State Legislature

REPRESENTATIVE  
**STEVE RIEGER**  
District 8, Seat B

House Finance Committee



P. O. Box 110623  
Anchorage, Alaska 99511

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

## House of Representatives

M E M O R A N D U M

April 22, 1986

TO: Representative Al Adams  
FROM: Representative Steve Rieger *SR*  
RE: CSHB 535 (Jud), "An Act relating to the registration fees for motor vehicles, the insurance requirements for obtaining and maintaining motor vehicle registration, the insurance requirements for motor-driven cycles, and the cancellation of motor vehicle insurance policies; and providing for an effective date."

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

### SECTION 1

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

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

(1) He can purchase a liability policy with the coverage outlined in AS 28.22.010: \$50,000 for personal injury and death per person, \$100,000 for personal injury and death per accident, and \$25,000 for property damage per accident.

(2) Alternatively, he can produce a certificate of self-insurance under AS 28.20.400. To qualify for a certificate of self-insurance, a person must have 25 or more vehicles registered in his name and provide proof of financial responsibility.

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

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

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

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

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

#### SECTION 2

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

#### SECTION 3

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

#### SECTION 4

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

#### SECTION 5

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

SECTIONS 6 - 8

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

SECTION 9

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

SECTION 10

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

SAR/wtl

VEHICLES COVERED UNDER HB 535

§ 28.10.010

ALASKA STATUTES

§ 28.10.011

**Chapter 10. Vehicle Registration and Title.**

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

- (1) driven or moved on a highway only for the purpose of crossing the highway from one private property to another, including an implement of husbandry as defined by regulation;
- (2) driven or moved on a highway under a dealer's plate or temporary permit as provided for in AS 28.10.031 and 28.10.181(j);
- (3) special mobile equipment as defined by regulation;
- (4) owned by the United States;
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**Effect of amendments.** — The 1983 amendment added paragraph (12).

**NOTES TO DECISIONS**

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Article 3. Proof of Insurance Required.

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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
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Offered: 4/29/86  
Referred: Rules

Original sponsors: Rieger, Ringstad,  
Gruenberg, et al

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

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23 satisfactory to the department of the existence of a motor vehicle  
24 liability policy that complies with AS 28.22.010 for the vehicle being  
25 registered; and

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

22       \* Sec. 6. AS 28.22 is amended by adding a new section to read:

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

25       \* Sec. 7. This Act takes effect July 1, 1987.

# COMMITTEE REPORT

## SENATE

FURTHER ~~FINANCE~~

5/6/86

Date 5/8/86

Mr. President

The Committee on STATE AFFAIRS considered CSHB 535(Fin)am relating to the insurance requirements for obtaining and maintaining motor vehicle registration, and the insurance requirements for motor-driven cycles; efd.

and ~~members~~ of the committee (the committee) reports it back with the following recommendations:

- ~~do pass with attached amendment(s)~~
- ~~replace with/or adopt SCS for~~ CSHB 535(SA)  
new title
- same title and recommends \_\_\_\_\_
- and attached a "LETTER OF INTENT"  NEW FISCAL NOTE
- reports it back without recommendation
- recommends referral to \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

Tim Kelly  
Edna Hill  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

MEMBERS HAVING  
OTHER RECOMMENDATIONS

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

[Signature]

Chairman

[Signature]

Chairman recommendation