

COMMITTEE REPORT  
SENATE

FURTHER:

2/22/85

Date \_\_\_\_\_

Mr. President

The Committee on FINANCE considered SB 103  
providing authority for the Department of Public Safety to regulate  
safety of motor carrier and air carrier operation; 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 \_\_\_\_\_
- 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

MEMBERS HAVING  
OTHER RECOMMENDATIONS

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Chairman

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Chairman recommendation

COMMITTEE REPORT  
SENATE

FURTHER: FINANCE

1/29/85

Date FEBRUARY 20, 1985

Mr. President

The Committee on TRANSPORTATION considered SB 103

providing authority for the Department of Public Safety to regulate safety of motor carrier and air carrier operation; 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 103 (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]  
Paul A. Griffin  
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MEMBERS HAVING  
OTHER RECOMMENDATIONS

[Signature]  
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[Signature]  
Chairman  
DO PASS  
Chairman recommendation

COMMITTEE REPORT  
SENATE

FURTHER: TRANSPORTATION  
FINANCE

1/25/85

Date \_\_\_\_\_

Mr. President

The Committee on STATE AFFAIRS considered SB 103  
providing authority for the Department of Public Safety to regulate  
safety of motor carrier and air carrier operations, 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 \_\_\_\_\_
- new title \_\_\_\_\_
- same title and recommendations \_\_\_\_\_
- and attached a "LETTER OF INTENT"  NEW FISCAL NOTE
- reports it back without recommendation
- recommends referral to \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

MEMBERS HAVING  
OTHER RECOMMENDATIONS

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Chairman

\_\_\_\_\_  
Chairman recommendation

Offered: 2/22/85  
Referred: Finance

Original sponsor: Rules/Governor

1 IN THE SENATE BY THE TRANSPORTATION COMMITTEE  
2 CS FOR SENATE BILL NO. 103 (Transportation)  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 FOURTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to transportation safety and finan-  
7 cial responsibility; and providing for an effective  
8 date."

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

10 \* Section 1. AS 42.30.200 is amended to read:

11 Sec. 42.30.200. FINANCIAL RESPONSIBILITY. (a) A person who  
12 carries passengers or freight for hire intrastate or a person who  
13 carries freight in a motor vehicle for commercial purposes shall  
14 procure and maintain security in the following minimum amounts:

15 (1) \$200,000 for property damage in a single occurrence;

16 (2) \$500,000 for bodily injury or death in a single occur-  
17 rence if a person operates a motor vehicle; and

18 (3) \$300,000 per seat for bodily injury or death in a  
19 single occurrence if a person operates an aircraft [AN AMOUNT DE-  
20 TERMINED BY THE DEPARTMENT OF PUBLIC SAFETY AS NECESSARY FOR THE  
21 REASONABLE PROTECTION OF THE PUBLIC AGAINST DAMAGES OR INJURY CAUSED  
22 BY THE PERSON].

23 (b) Evidence of security required under (a) of this section  
24 shall be filed with the department and must be

25 (1) a policy or certificate of insurance issued by an  
26 insurer acceptable to the department; or

27 (2) a bond of a surety company licensed to write surety  
28 bonds in the state; or

29 (3) evidence accepted by the department, showing ability to  
S

1 self-insure; or

2 (4) other security approved by the department.

3 (c) The department may authorize department personnel [ENFORCE-  
4 MENT OFFICERS] to enforce this section and may adopt procedural regu-  
5 lations necessary to implement this section.

6 \* Sec. 2. AS 42.30.200 is amended by adding new subsections to read:

7 (d) A policy of insurance, surety bond, or other form of secur-  
8 ity may not be cancelled on less than 30 days' written notice to the  
9 department. For insurance policies submitted as proof of financial  
10 responsibility under AS 42.30.225(a)(1) this requirement must be  
11 clearly stated in the policy or endorsement. The 30-day notice period  
12 is measured from the date on which the department receives notice.

13 (e) A person who violates (a) of this section is guilty of a  
14 class B misdemeanor and is punishable by a fine of not less than \$500  
15 or more than \$1,000.

16 (f) This section applies only to a person who carries passengers  
17 or freight for hire in a motor vehicle weighing 10,000 pounds or more,  
18 or a propeller or jet-powered aircraft.

19 \* Sec. 3. AS 42.30 is amended by adding new sections to read:

20 Sec. 42.30.225. CERTIFICATION OF COMPLIANCE OF AIR CARRIERS.

21 (a) A person may not use an aircraft in air commerce without obtain-  
22 ing a certificate of compliance from the department. The department  
23 shall issue a certificate of compliance upon application and presenta-  
24 tion of

25 (1) proof of financial responsibility required under  
26 AS 42.30.200;

27 (2) proof of compliance with Federal Aviation Administra-  
28 tion requirements, and, where applicable, federal certification for  
29 scheduled airline service.

1 (b) A person who receives a certificate of compliance under (a)  
2 of this section shall renew the certificate annually. The annual fee  
3 for a certificate of compliance shall be \$50.

4 (c) Each aircraft owned or leased by a person subject to the  
5 provisions of this section must have a certificate of compliance  
6 issued by the department before the aircraft is used in air commerce.  
7 The certificate is valid for a period of 12 months following the date  
8 of certification. The certificate must be displayed on the aircraft  
9 so that it is visible to boarding passengers.

10 (d) A federally-certificated interstate air carrier that pro-  
11 vides intrastate service between points in the state on an interstate  
12 or foreign route, and who uses, for that intrastate service, aircraft  
13 based primarily outside the state, must also obtain a certificate of  
14 compliance for each aircraft used in intrastate service.

15 (e) Use of an aircraft in air commerce before obtaining a cer-  
16 tificate of compliance required under (a) of this section may be cause  
17 for suspension or revocation of the certificate.

18 (f) An air carrier, who before the effective date of this Act,  
19 obtained a certificate to operate from the Alaska Transportation  
20 Commission, is not required to obtain a certificate of compliance  
21 under (a) of this section until the date on which the insurance policy  
22 on each aircraft must be renewed.

23 (g) The department may authorize department personnel to enforce  
24 this section and may adopt procedural regulations necessary to imple-  
25 ment this section.

26 ARTICLE 6. MOTOR VEHICLE SAFETY INSPECTIONS.

27 Sec. 42.30.300. MOTOR VEHICLE SAFETY INSPECTIONS. (a) A motor  
28 vehicle may not be operated on the public highways of this state  
29 without a certificate of inspection. A certificate of vehicle

1 registration may not be issued to a motor vehicle under AS 28.10.041-  
2 (a)(4) without a current certificate of inspection if the motor  
3 vehicle is required to obtain a certificate of inspection under this  
4 section. An owner of a motor vehicle shall renew a certificate of  
5 inspection at least twice a year at an official inspection station  
6 under AS 42.30.320. An owner of a motor vehicle shall display a  
7 sticker of inspection visible from outside the vehicle in a location  
8 determined by the department.

9 (b) The commissioner of commerce and economic development may  
10 adopt procedural regulations appropriate to achieve reciprocity with  
11 other western states and necessary to implement this section.

12 Sec. 42.30.310. EXEMPTIONS. A motor vehicle is exempt from the  
13 requirements of AS 42.30.300 if it is owned by the government of the  
14 United States of America.

15 Sec. 42.30.320. OFFICIAL INSPECTION STATIONS. (a) A person may  
16 not operate an inspection station without a permit from the depart-  
17 ment. The department shall approve an application for permit to  
18 operate an inspection station if

19 (1) the department determines the inspection station has  
20 proper equipment and competent personnel; and

21 (2) a certified vehicle inspector under AS 42.30.330 is  
22 employed at the inspection station.

23 (b) After the department approves an application for permit to  
24 operate an official inspection station under (a) of this section, it  
25 shall provide the applicant with a permit, certificates of inspection,  
26 and inspection stickers.

27 (c) Upon receipt of a permit from the department under (c) of  
28 this section, the operator of an official inspection station shall  
29 post the permit in a conspicuous place at the location designated by

1 the department.

2 (d) The department may inspect a motor vehicle or enter the  
3 premises of the operator of an official inspection station at any time  
4 to inspect the work of the certified vehicle inspectors under AS 42.-  
5 30.330 or to determine if the operator continues to meet the require-  
6 ments of this section.

7 (e) The department shall suspend or revoke a permit of an opera-  
8 tor of an official inspection station if the operator fails to meet  
9 the requirements of this section.

10 (f) Upon notice of suspension or revocation of a permit under  
11 (e) of this section, the operator of an official inspection station  
12 shall immediately terminate all inspection activities, and on demand  
13 by the department, return the permit and all certificates of inspec-  
14 tion. The department shall issue a receipt for all unused certifi-  
15 cates of inspection.

16 (g) If a permit is suspended or revoked under (e) of this sec-  
17 tion, the department shall give an operator of an official inspection  
18 station a hearing, upon written request filed with the department  
19 within 10 days after suspension or revocation.

20 (h) A permit to operate an official inspection station may not  
21 be assigned, transferred, or used at a location other than the lo-  
22 cation designated by the department.

23 Sec. 42.30.330. CERTIFICATION OF VEHICLE INSPECTORS. (a) A  
24 person may not conduct a motor vehicle inspection at an official  
25 inspection station under AS 42.30.320 unless certified as a vehicle  
26 inspector by the department.

27 (b) The department may suspend the certification issued to a  
28 vehicle inspector under (a) of this section if the vehicle inspector  
29 improperly conducted inspections or failed to comply with a provision

1 of this section or regulations adopted under it.

2 (c) If a certificate is denied or suspended under (b) of this  
3 section the department shall give a vehicle inspector a hearing upon  
4 written request filed with the commissioner within 10 days after  
5 denial or suspension.

6 Sec. 42.30.340. ISSUANCE OF CERTIFICATE OF INSPECTION. (a) A  
7 person operating an official inspection station shall issue a certifi-  
8 cate of inspection to the owner of a motor vehicle after determining  
9 the motor vehicle is in a safe and mechanically sound condition.

10 (b) A person operating an official inspection station shall keep  
11 a record of each inspection performed at the station and the depart-  
12 ment may audit the records of an official inspection station at any  
13 time.

14 Sec. 42.30.350. FALSELY REPRESENTING TO BE AN OFFICIAL STATION.

15 (a) A person may not represent a place as an official inspection  
16 station unless the station is operating under a valid permit issued by  
17 the department under AS 42.30.320.

18 (b) A person may not issue a certificate of inspection unless  
19 holding a valid permit under AS 42.30.320.

20 Sec. 42.30.360. COUNTERFEIT CERTIFICATES OF INSPECTION. (a) A  
21 person may not make, issue, or knowingly use an imitation or counter-  
22 feit of an official certificate of inspection.

23 (b) A person may not knowingly display or issue a certificate  
24 of inspection on a motor vehicle unless the motor vehicle has met the  
25 requirements of AS 42.30.340.

26 Sec. 42.30.370. VIOLATION A MISDEMEANOR. A person who violates  
27 a provision of AS 42.30.300 - 42.30.360 is guilty of a class B misde-  
28 meanor.

29 Sec. 42.30.380. DEFINITIONS. In AS 42.30.200 - 42.30.380,

1 (1) "air carrier" means a person undertaking to engage in  
2 air commerce, whether directly or indirectly, or by lease, contract,  
3 or any other arrangement, and whether over regular or irregular  
4 routes;

5 (2) "air commerce" means carriage by aircraft of persons or  
6 freight, for compensation or hire, in intrastate commerce, including  
7 the carriage by aircraft of persons or freight that move partly by  
8 aircraft and partly by other forms of transportation;

9 (3) "aircraft" means a device used or designed for flight  
10 in the air;

11 (4) "commercial purposes" means something for which the  
12 person receives direct monetary compensation;

13 (5) "department" means the Department of Commerce and  
14 Economic Development;

15 (6) "freight" means all commodities, articles, and cargo,  
16 of whatever nature or value, excluding garbage and trash;

17 (7) "motor vehicle" means

18 (A) a truck of more than 10,000 pounds unladen gross  
19 vehicle weight used upon a public highway of this state; and

20 (B) a trailer registered in this state of more than  
21 5,000 pounds unladen gross vehicle weight and used upon a public  
22 highway of this state.

23 \* Sec. 4. Notwithstanding AS 42.30.200(a)(3) enacted by sec. 1 of this  
24 Act, until July 1, 1985, a person to whom AS 42.30.200 applies need only  
25 maintain security in the amount of \$100,000 a seat for bodily injury or  
26 death in a single occurrence if a person operates an aircraft.

27 \* Sec. 5. AS 44.33.020 is amended by adding a new paragraph to read:

28 (27) implement the financial responsibility requirements for  
29 motor vehicles and air carriers under AS 42.30.200 - 43.30.225.

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\* Sec. 6. This Act takes effect immediately in accordance with AS 01.-  
10.070(c).

Introduced: 1/25/85  
Referred: State Affairs, Transportation  
and Finance

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

1 IN THE SENATE

2 SENATE BILL NO. 103

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act providing authority for the Department of  
7 Public Safety to regulate safety of motor carrier and  
8 air carrier operations; and providing for an effective  
9 date."

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

11 \* Section 1. AS 42.30 is amended by adding new sections to article 5 to  
12 read:

13 Sec. 42.30.195. COMPLIANCE ENJOINED. A person may not operate  
14 as a motor carrier on a public highway of this state, or engage in air  
15 commerce to or from any point in this state, except in accordance with  
16 AS 42.30.195 -- 42.30.270.

17 Sec. 42.30.197. EXEMPT MOTOR VEHICLES. (a) AS 42.30.195 --  
18 42.30.220 and AS 42.30.230 -- 42.30.270 apply to all motor vehicles of  
19 a motor carrier unless specifically exempted by this section. Unless  
20 specifically provided otherwise, AS 42.30.195 -- 42.30.220 and AS 42.-  
21 30.230 -- 42.30.270 do not apply to

22 (1) a motor vehicle operated exclusively in the transporta-  
23 tion of United States mail or in the transportation of newspapers or  
24 periodicals alone or in conjunction with an express service delivering  
25 packages not to exceed 100 pounds to any one receiver;

26 (2) a motor vehicle owned and operated by the United  
27 States, the state, or a borough, city, or unified municipality in the  
28 state, or by an agency of any of them, except when the vehicle is used  
29 to transport property of the general public for compensation in

1 competition with other carriers subject to this chapter, and to the  
2 extent that regulation of vehicles operated by the United States is  
3 permitted by the laws of the United States;

4 (3) a motor vehicle that is a "farm vehicle," as defined by  
5 the department by regulation; that does not exceed an unladen total  
6 gross weight of 16,000 pounds; that is owned by a person whose primary  
7 source of livelihood is derived from the operation of a ranch, farm,  
8 or dairy; and that is used exclusively to transport that person's own  
9 ranch, farm, or dairy products to and from the market or to transport  
10 supplies, commodities, or equipment to be used on the person's ranch,  
11 farm, or dairy;

12 (4) a motor vehicle weighing 5,000 pounds or less, unladen  
13 gross weight;

14 (5) a motor vehicle operated exclusively for the transpor-  
15 tation of persons, which has a seating capacity of less than 16 pas-  
16 sengers; and

17 (6) a motor vehicle operated exclusively for the transpor-  
18 tation of students and teachers to or from school, which is subject to  
19 regulation under AS 14.09.

20 (b) A vehicle weighing 5,000 pounds to 12,000 pounds, unladen  
21 gross weight, is exempt from the requirements of AS 42.30.230.

22 \* Sec. 2. AS 42.30.200 is amended to read:

23 Sec. 42.30.200. FINANCIAL RESPONSIBILITY. (a) A person operat-  
24 ing as a motor carrier, except with regard to a vehicle exempt under  
25 AS 42.30.197, or a person engaging in air commerce, [WHO CARRIES  
26 PASSENGERS OR FREIGHT FOR HIRE INTRASTATE] shall procure and maintain  
27 security in an amount determined by the Department of Public Safety as  
28 necessary for the reasonable protection of the public against damages  
29 or injury caused by the person.

1 (b) Evidence of security required under (a) of this section must  
2 [SHALL] be filed with the department and must be

3 (1) a policy or certificate of insurance issued by an insur-  
4 er acceptable to the department; or

5 (2) a bond of a surety company licensed to write surety  
6 bonds in the state; or

7 (3) evidence accepted by the department, showing ability to  
8 self-insure; or

9 (4) other security approved by the department.

10 (c) A policy of insurance, surety bond, or other form of securi-  
11 ty is not cancellable on less than 30 days' written notice to the  
12 department. This requirement must be clearly stated in the policy or  
13 endorsement. The 30-day notice period is measured from the date upon  
14 which the department receives notice.

15 (d) The department may authorize enforcement officers to enforce  
16 this section.

17 (e) The department shall adopt regulations relating to financial  
18 responsibility and enforcement of the financial responsibility re-  
19 quirements set out in this section.

20 \* Sec. 3. AS 42.30 is amended by adding new sections to read:

21 Sec. 42.30.205. BOND TO PROTECT SHIPPERS AND CONSIGNEES. The  
22 department may, under regulations it adopts, require a motor or air  
23 carrier to file a surety bond, or deposit security or a bond, in an  
24 amount fixed by the department. The bond or security must be condi-  
25 tioned upon the carrier paying to shippers and consignees money be-  
26 longing to shippers and consignees, respectively, and coming into the  
27 possession of the carrier in connection with its transportation ser-  
28 vice. A carrier required by law to compensate a shipper or consignee  
29 for loss, damage, or default for which a connecting carrier is legally

1 responsible is subrogated to the rights of the shipper or consignee  
2 under the bond or deposit of security to the extent of the sum paid.

3       Sec. 42.30.210. IDENTIFICATION OF MOTOR VEHICLES. Each motor  
4 carrier that is required to register under AS 42.30.315 shall place  
5 sufficient identification, as determined by the department, on each  
6 motor vehicle operated by that carrier that is not exempt under  
7 AS 42.30.197. The required identification must be sufficient to allow  
8 immediate determination of the carrier's name, address, and registra-  
9 tion number. The department shall adopt regulations necessary to  
10 implement this section.

11       Sec. 42.30.215. REGISTRATION OF INTRASTATE MOTOR CARRIERS. (a)  
12 A person may not operate as an intrastate motor carrier, except with  
13 regard to a vehicle exempt under AS 42.30.197, without obtaining  
14 registration as a motor carrier from the department. Registration is  
15 conditioned upon compliance with all other applicable provisions of  
16 AS 42.30.195 -- 42.30.270, payment of applicable fees, and the filing  
17 of an application accompanied by the following:

18               (1) proof of financial responsibility required under  
19 AS 42.30.200;

20               (2) proof of bonding if required by regulations adopted  
21 under AS 42.30.205;

22               (3) proof of a satisfactory safety inspection within the  
23 preceding six months, by the department or its authorized representa-  
24 tive, under AS 42.30.230 for all motor vehicles operated by the carri-  
25 er, or, if the safety inspection for a vehicle within the preceding  
26 six months was unsatisfactory, proof of repair or correction of the  
27 vehicle's deficiency.

28       (b) An application for registration must be made in writing on a  
29 form prescribed by the department, and must state the ownership,

1 control, affiliation with any other carrier, equipment to be used, and  
2 other information the department requires.

3 (c) Registration under (a) of this section must be renewed  
4 annually by paying the applicable renewal fee and filing a renewal  
5 application, accompanied by the documentation of financial responsi-  
6 bility, bonding, and safety compliance specified in (a)(1) -- (3) of  
7 this section.

8 (d) A motor carrier, otherwise required to register under (a) of  
9 this section, who is engaged in the transportation of property or  
10 passengers by motor vehicle in intrastate commerce and who, before  
11 February 28, 1985, obtained a permit to operate from the Alaska Trans-  
12 portation Commission, is not required to file another application for  
13 registration as prescribed in (a) of this section. Such a carrier is  
14 required to file an application for renewal as prescribed in (c) of  
15 this section no later than February 28, 1986; however, the renewal  
16 application may not be granted until the applicant has complied with  
17 all other applicable provisions of AS 42.30.195 -- 42.30.270.

18 Sec. 42.30.220. REGISTRATION OF MOTOR CARRIER'S INTERSTATE OPER-  
19 ATING AUTHORITY. (a) A motor carrier may not operate as a motor  
20 carrier in interstate or foreign commerce in the state without regis-  
21 tering the operation with the department. Registration must be gran-  
22 ted upon the filing of an application, the payment of applicable fees,  
23 and upon compliance with the bonding requirement of AS 42.30.205, if  
24 applicable, and with safety regulations adopted under AS 42.30.230(a).  
25 An application for registration must be accompanied by either

26 (1) a copy of the operating authority pertaining to service  
27 from, to, or within this state issued by the Interstate Commerce Com-  
28 mission under 49 U.S.C. sec. 10921 (Interstate Commerce Act); or

29 (2) an affidavit of the motor carrier's exempt status,

1 including a description of the operations to be conducted, if the  
2 operation does not require authority from the Interstate Commerce  
3 Commission under 49 U.S.C. sec. 10921 (Interstate Commerce Act).

4 (b) Registration under (a) of this section, must be renewed  
5 annually by filing a renewal application and paying the renewal fee.  
6 Renewal is conditioned upon continued compliance with the bonding  
7 requirement of AS 42.30.205, if applicable, and safety regulations  
8 adopted under AS 42.30.230(a).

9 (c) A motor carrier operating as a motor carrier in interstate  
10 or foreign commerce in the state, who, before February 28, 1985, reg-  
11 istered its authority from the Interstate Commerce Commission with the  
12 Alaska Transportation Commission, is not required to file another  
13 initial application as prescribed in (a) of this section. Such a  
14 carrier is required to file an application for renewal as prescribed  
15 in (b) of this section; however, the renewal application may not be  
16 granted until the applicant has complied with the bonding requirement  
17 of AS 42.30.205, if applicable, and safety regulations adopted under  
18 AS 42.30.230(a).

19 Sec. 42.30.225. REGISTRATION OF AIR CARRIERS. (a) A person may  
20 not engage in air commerce without obtaining registration as an air  
21 carrier from the department. Registration is conditioned upon compli-  
22 ance with all other applicable provisions of AS 42.30.195 -- 42.30.-  
23 270, payment of the applicable fees, and filing of an application  
24 accompanied by the following:

25 (1) proof of financial responsibility required under  
26 AS 42.30.200;

27 (2) proof of bonding if required by regulations adopted  
28 under AS 42.30.205;

29 (3) evidence, satisfactory to the department, showing that

1 the applicant can and will comply with the provisions of the laws of  
2 the United States and the state, and the regulations and orders re-  
3 garding safety of operation.

4 (b) Applications for registration must be made in writing on a  
5 form prescribed by the department, and must state the ownership, con-  
6 trol, affiliation with any other carrier, equipment to be used, and  
7 other information the department requires.

8 (c) Registration under (a) of this section must be renewed  
9 annually by paying the applicable renewal fee and filing a renewal  
10 application, accompanied by the documentation of financial responsi-  
11 bility, bonding, and safety compliance specified in (a)(1) -- (3) of  
12 this section.

13 (d) Except as provided in (e) of this section, each aircraft  
14 owned or leased by a person subject to the provisions of this section  
15 must be registered with the department before the aircraft is used in  
16 air commerce. A certificate of registration must be issued by the  
17 department for each aircraft. These certificates are valid for a  
18 period of 12 months following the date of registration, and must be  
19 renewed at the expiration of each 12-month period. The department  
20 shall establish fees for registration of aircraft.

21 (e) Federally certificated interstate carriers that provide  
22 intrastate service between points in the state on their interstate or  
23 foreign routes and who use, for that intrastate service, aircraft  
24 based primarily outside the state, shall register with the department  
25 the aircraft used in intrastate service in the state. Registration  
26 fees must be paid on the basis of the maximum number of aircraft used  
27 in the intrastate service during any 24-hour period during the year,  
28 as provided in regulations adopted by the department.

29 (f) Failure, by a person holding carrier registration under (a)

1 of this section, to register an aircraft before its use in air com-  
2 merce may be cause for suspension or revocation of carrier registra-  
3 tion in accordance with AS 42.30.240.

4 (g) An air carrier, operating as an air carrier, who, before  
5 February 28, 1985, obtained a certificate to operate from the Alaska  
6 Transportation Commission, is not required to file another application  
7 for registration as prescribed in (a) of this section. Such a carrier  
8 is required to file an application for renewal as prescribed in (c) of  
9 this section no later than February 28, 1986; however, the renewal  
10 application may not be granted until the applicant has complied with  
11 all other applicable provisions of AS 42.30.195 -- 42.30.270.

12 Sec. 42.30.230. MOTOR VEHICLE SAFETY. (a) The department shall  
13 adopt regulations governing the safety of operation of motor vehicles  
14 that are subject to AS 42.30.195 -- 42.30.270, and providing for  
15 enforcement of those safety requirements.

16 (b) An intrastate motor carrier shall have all of its motor  
17 vehicles that are not exempted under AS 42.30.197 inspected for com-  
18 pliance with safety regulations by the department or an authorized  
19 representative of the department at least once every six months.

20 Sec. 42.30.235. ADOPTION OF REGULATIONS. The department may  
21 adopt regulations to carry out the purposes of AS 42.30.195 -- 42.30.-  
22 270 which apply to motor carriers, and to persons engaged in air  
23 commerce, including but not limited to regulations for safety of  
24 operations, financial responsibility, bonding, registration, fees,  
25 identification of motor vehicles, and enforcement. The department  
26 shall adopt these regulations under the Administrative Procedure Act  
27 (AS 44.62).

28 Sec. 42.30.240. SUSPENSION OR REVOCATION OF CARRIER REGISTRA-  
29 TION. (a) The department may suspend the registration of a motor

1 carrier or air carrier, without prior notice or hearing, upon failure  
2 of the carrier to comply with AS 42.30.200, 42.30.205, or 42.30.225(e)  
3 or (f). The suspension without a hearing is effective for 10 days.  
4 The department shall provide the carrier whose registration is sus-  
5 pended a hearing within 10 days. If the carrier so requests, the  
6 hearing must be in the judicial district in which the carrier's prin-  
7 cipal place of business in the state is located. If a hearing has  
8 been provided by the department, the suspension may be extended for up  
9 to 10 additional days in order that the hearing officer may decide the  
10 matter.

11 (b) Upon complaint, or upon its own initiative, the department,  
12 after notice and opportunity for hearing, and for good cause shown,  
13 may revoke the registration of a motor carrier or air carrier. Good  
14 cause for suspension or revocation of carrier registration includes  
15 the following reasons:

16 (1) failure to submit evidence of financial responsibility  
17 required by AS 42.30.200;

18 (2) failure to submit evidence of bonding if required by  
19 regulations adopted under AS 42.30.205;

20 (3) failure to register aircraft used in air commerce as  
21 required by AS 42.30.225(e) and (f);

22 (4) intentional misrepresentation of a material fact in  
23 obtaining registration;

24 (5) intentional failure to comply with a provision of  
25 AS 42.30.195 -- 42.30.270 or a regulation adopted under AS 42.30.235;

26 (6) failure to pay applicable fees.

27 (c) A carrier whose registration has been suspended for failure  
28 to show financial responsibility or bonding may, at any time before  
29 revocation, have the carrier registration reinstated upon proof of

1 compliance with AS 42.30.200 and 42.30.205. An air carrier whose  
2 carrier registration has been suspended for failure to register air-  
3 craft may, at any time before revocation, have the registration rein-  
4 stated by complying with AS 42.30.225(e) and (f). In order to become  
5 a registered carrier after registration has been revoked for any  
6 reason, the carrier must pay applicable carrier registration fees and  
7 submit a new application accompanied by the documentation required by  
8 applicable provisions of AS 42.30.215, 42.30.220, and 42.30.225.

9 (d) A carrier whose registration has been revoked may appeal the  
10 department hearing officer's decision to the superior court.

11 Sec. 42.30.245. ENFORCEMENT AUTHORITY; JUDICIAL ENFORCEMENT;  
12 SEIZURE AND FORFEITURE. (a) Enforcement officers authorized by the  
13 department and persons authorized and designated by the department to  
14 perform inspections under AS 42.30.230 have the authority set out in  
15 this section to enforce regulations of the department and to enforce  
16 the statutes that the department administers. The department may  
17 authorize these designated representatives to

18 (1) require the operator of a motor vehicle or aircraft  
19 that might be subject to the authority of the department under AS 42.-  
20 30.195 -- 42.30.270 to present documents of vehicle registration or  
21 ownership, or other documents required by regulation to be in the  
22 possession of the operator;

23 (2) stop a motor vehicle that might be subject to the au-  
24 thority of the department under AS 42.30.195 -- 42.30.270 and request  
25 the right to inspect cargo in the vehicle to determine whether the  
26 operation of the vehicle violates a regulation of the department or a  
27 statute which the department administers; if the operator of that  
28 vehicle refuses to permit inspection of the vehicle or its cargo, the  
29 authorized department representative may, by placing a seal on or

1 around the cargo, prohibit the discharge of the cargo except at a  
2 point of destination and in the presence of an authorized representa-  
3 tive of the department;

4 (3) detain or remove from service a motor vehicle that  
5 might be subject to the authority of the department under AS 42.30.-  
6 195 -- 42.30.270 when it reasonably appears to an authorized represen-  
7 tative of the department that the continued operation of the vehicle  
8 would jeopardize the public safety; if an authorized department rep-  
9 resentative discovers a safety violation that in the representative's  
10 opinion will not cause an accident or breakdown, the representative  
11 may order the vehicle to proceed to a designated repair area where the  
12 violation must be corrected before the vehicle departs the area;

13 (4) issue a citation for a violation of a regulation or  
14 statute administered by the department; and

15 (5) apply to a court for an appropriate order or fine.

16 (b) The department may apply to the superior court for the  
17 enforcement of a statute or regulation, or decision of the department  
18 to suspend or revoke the registration of a motor carrier or air carri-  
19 er under AS 42.30.240. The court may enforce obedience by any pro-  
20 cess, including the restraint of the person and the person's officers,  
21 agents, employees and representatives, from further violation.

22 (c) A motor vehicle or aircraft, used by a motor carrier or air  
23 carrier without obtaining valid registration under the applicable pro-  
24 visions of AS 42.30.215, 42.30.220, and 42.30.225, or used after  
25 registration has been revoked under AS 42.30.240(b), may be seized by  
26 the department. Upon conviction of the offender or by other judgment  
27 of the court, a motor vehicle or aircraft used in violation of these  
28 registration requirements is forfeited to the state and must be dis-  
29 posed of as directed by the court. If sold, the proceeds of the must

1 be transmitted to the proper state officer for deposit in the general  
2 fund of the state treasury. Motor vehicles or aircraft seized, unless  
3 forfeited by order of the court, must be returned after the final  
4 court decision and payment of any criminal fines and civil penalties.

5 Sec. 42.30.250. VIOLATION A MISDEMEANOR. A person who knowingly  
6 fails or refuses to comply with a provision of AS 42.30.195 -- 42.  
7 30.270, a regulation or decision of the department, or a final or  
8 or decree of a court, or who knowingly procures, aids, or abets such a  
9 violation, is guilty of a misdemeanor, and, upon conviction, must be  
10 sentenced to pay the costs of prosecution and a fine of not more than  
11 \$500 for each offense.

12 Sec. 42.30.255. CIVIL PENALTIES FOR OPERATING WITHOUT REGISTRA-  
13 TION. A motor carrier or air carrier, whose registration is suspended  
14 under AS 42.30.240(a), and who operates a motor vehicle or aircraft  
15 without the insurance or bond required by AS 42.30.200 and 42.30.205,  
16 or a motor carrier or air carrier that operates a motor vehicle or  
17 aircraft without obtaining valid carrier registration under AS 42.-  
18 30.215, 42.30.220 or 42.30.225 or operates while carrier registration  
19 is revoked under AS 42.30.240(b), is subject to a civil penalty of not  
20 more than \$1,000 or an amount equal to revenue the carrier earned as a  
21 result of the illegal operation, whichever is greater. This civil  
22 penalty is in addition to any other civil or criminal penalties and  
23 remedies provided by law, and may only be levied by a court of compe-  
24 tent jurisdiction.

25 Sec. 42.30.260. EACH VIOLATION A SEPARATE OFFENSE. Each viola-  
26 tion, by a motor carrier, air carrier, or other person, of the pro-  
27 visions of AS 42.30.195 -- 42.30.270, or of a decision or regulation  
28 of the department, is a separate offense. In case of a continuing  
29 violation, each day's continuance is a separate offense.

1           Sec. 42.30.265. PENALTIES CUMULATIVE; RECOVERY. (a) All penal-  
2 ties incurred under AS 42.30.195 -- 42.30.270 are cumulative; an  
3 action for the recovery of one penalty is not a bar to and does not  
4 affect the recovery of any other penalty, and is not a bar to a crim-  
5 inal prosecution and imposition of a fine against a motor carrier, air  
6 carrier, or an officer, director, agent, or employee of a motor carri-  
7 er or air carrier, or any other person.

8           (b) Neither a criminal prosecution nor an action to recover a  
9 penalty is a bar to an enforcement proceeding to require compliance,  
10 nor to any other remedy provided by AS 42.30.195 -- 42.30.270.

11           (c) An action to recover a penalty or impose a fine under  
12 AS 42.30.195 -- 42.30.270 must be brought by the attorney general in a  
13 court of competent jurisdiction. All fines imposed and all penalties  
14 recovered under this chapter must be paid to the court and deposited  
15 by it in the general fund of the state.

16           Sec. 42.30.270. DEFINITIONS. For the purposes of AS 42.30.-  
17 195 -- 42.30.270,

18           (1) "air carrier" means a person undertaking to engage in  
19 air commerce, whether directly or indirectly, or by lease, contract,  
20 or any other arrangement, and whether over regular or irregular  
21 routes;

22           (2) "air commerce" means carriage by aircraft of persons or  
23 property, for compensation or hire, in intrastate commerce, including  
24 the carriage by aircraft of persons or property which move partly by  
25 aircraft and partly by other forms of transportation;

26           (3) "aircraft" means a device used or designed for flight  
27 in the air;

28           (4) "department" means the Department of Public Safety;

29           (5) "motor carrier" includes

1 (A) a person who undertakes to transport property or  
2 persons for the general public by motor vehicle, for compensa-  
3 tion, including motor vehicle operations of other carriers by  
4 rail or water and of express or forwarding companies;

5 (B) a person who leases, rents, or provides a motor  
6 vehicle for the use of another in transporting property or per-  
7 sons, and who provides, procures, or arranges for, directly or  
8 indirectly, a driver or operator for the motor vehicle; or who  
9 provides the necessary authority for the use of the vehicle on a  
10 public highway, except when the motor vehicle is leased to anoth-  
11 er carrier;

12 (C) a person engaged in the business of providing,  
13 contracting for, or undertaking to provide, transportation of  
14 property, for compensation, over the public highways as a broker  
15 or forwarder;

16 (D) a person who transports by motor vehicle, with or  
17 without compensation, property that is owned or is being bought  
18 or sold by that person, or property of which that person is the  
19 seller, purchaser, lessee, or bailee, and the transportation is  
20 incidental to and in furtherance of some other primary business  
21 conducted by the person in good faith;

22 (E) except when the motor vehicle is leased to another  
23 carrier, a person who rents, leases, or otherwise provides a  
24 motor vehicle for the use of others in transporting passengers or  
25 property, but who does not provide, procure, or arrange for,  
26 directly or indirectly, an operator for the vehicle;

27 (F) a person who, under special and individual con-  
28 tracts or agreements, transports property by motor vehicle, for  
29 compensation;

1 (6) "motor vehicle" means a truck, tractor, wrecker, tow  
2 car, bus, van, hearse, ambulance, or other self-propelled or motor-  
3 driven vehicle used upon any public highway of this state for the  
4 purpose of transporting property or persons, which is not exempted  
5 under AS 42.30.197;

6 (7) "property" means all commodities, articles, and cargo,  
7 of whatever nature or value, excluding garbage, refuse, trash, or  
8 other waste material;

9 (8) "public highway" means every street, road, or highway  
10 in this state;

11 (9) "seating capacity" includes a space capable of accommo-  
12 dating an average-sized adult, if the overall seat configuration and  
13 design, and vehicle design, are such that the position is likely to be  
14 used as a seating position while the vehicle is in motion, but does  
15 not include auxiliary seating accommodations such as temporary or  
16 folding jump seats;

17 (10) "vehicle" includes every device capable of being moved  
18 upon a public highway and in, upon, or by which a person or property  
19 is or may be transported or drawn upon a public highway; the term does  
20 not include a device moved by human or animal power or used exclusive-  
21 ly upon stationary rails or tracks.

22 \* Sec. 4. This Act takes effect immediately in accordance with AS 01.-  
23 10.070(c).

# Alaska State Legislature

SENATOR  
JOHN B. "JACK" COGHILL  
Chairman

Senator Jan Fulk—Vice Chairman  
Senator Mitch Abood  
Senator Paul Fiselier  
Senator Joe Josephson



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

## Senate Committee on Transportation

LETTER OF INTENT

To Accompany CSSB 103 (Trans)

It is the intent of the Legislature that a study be undertaken by legislative staff to determine 1.) the effects of deregulation on air transportation service to the bush, and what measures, if any, the Legislature ought to address to ensure a minimally acceptable level of service to those areas of the state; 2.) the effects of early phase-out of the 406 Essential Air Service subsidies by the federal government on air service to rural Alaska; 3.) what federal safety regulations are applicable to Alaska intrastate air commerce, and which, if any, ought to be incorporated into the State's certification of compliance program; and 4.) the efficiency and effectiveness with which the Department of Commerce and Economic Development has established a motor vehicle safety inspection program. The results of this study shall be reported to the Second Session of the Fourteenth Alaska Legislature not later than the tenth day after it convenes.

SENATE COMMITTEE ON TRANSPORTATION

A large, stylized handwritten signature in black ink, appearing to read "John B. Coghill".

Senator John B. Coghill, Chairman

STATE OF ALASKA 1985 LEGISLATIVE SESSION  
FISCAL NOTE

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

REQUEST

Bill/Resolution No.: 05 SB 103(TSP)  
 Title: An Act to regulate safety of motor carriers  
 Sponsor: Rules Committee  
 Requestor: Governor  
 Date of Request: \_\_\_\_\_

FISCAL DETAIL

Agency Affected: Commerce & Econ. Dev.  
 Program Category Affected: Public Safety  
 BRU, Program or Subprogram(s) Affected: Division of Measurement Standards

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
<b>OPERATING</b>						
100 PERSONAL SERVICES	128.5	338.5				
200 TRAVEL	10.0	30.0				
300 CONTRACTUAL	65.0	40.8				
400 SUPPLIES	2.5	3.6				
500 EQUIPMENT	15.0	0.0				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>211.0</b>	<b>420.8</b>				

<b>CAPITAL</b>						
----------------	--	--	--	--	--	--

<b>REVENUE</b>						
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FUNDING: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
GENERAL FUND	211.0	420.8				
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>	<b>211.0</b>	<b>420.8</b>				

POSITIONS:

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
FULL-TIME	7	7				
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

See attached.

Prepared By: Joseph L. Swanson, Director Phone: 345-7750  
 Division: Measurement Standards Date: 2/17/85  
 Approved by Commissioner: [Signature] Date: 2/19/85  
 Agency: Commerce and Economic Development

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

7/1/84

SB 103  
ANALYSIS

ASSUMPTIONS

This analysis was prepared with the understanding that the intent of the bill was to establish regulations and procedures to:

1. Administer the financial responsibility provisions of AS 42.30.200 - 42.30.225.
2. Administer the motor vehicle safety inspection program to be performed by private industry.

PROGRAM SUMMARY

1. Positions

New Positions:           1 Administrative Officer I  
                              2 Administrative Assistants I  
                              3 Clerk Typists III

Existing Positions:      Convert 5 existing seasonal weigh station operators to permanent full-time employees.

2. Other expenditures

Travel:                   Funds were included to provide for travel for remote locations to verify adherence to the provisions of AS 42.30 and to participate in the annual Commercial Vehicle Safety Alliance (CVSA) conference.

Contractual Services:   The listed funds are required to cover the costs for communications, printing forms, certificates of compliance, certificates of inspection, permits to operate, inspection certifications, and regulations and procedures; maintenance of agency equipment, vehicle costs, and equipment rental.

Commodities:            Specified costs are for operating supplies.

Equipment:              Costs are for the acquisition of computer terminals and replacement of existing equipment.

3. The funding projections were based upon the assumption that the following equipment be transferred from the Alaska Transportation Commission:

- Wang word/data processing system with associated work stations and printer.
- telex/telecopier equipment
- typewriters
- file cabinets
- book cases
- vehicles
- desks and chairs
- copy machine

It is essential that this equipment be transferred in order for the program to function effectively for the above stated costs.

FY '85

1.	POSITION TITLE ADMINISTRATIVE OFFICER I				RANGE/STEP 17A	DEPT. UNIT S	PAGE/LINE	COV.	APPROV.	DISAP.	
2.	TYPE OF POSITION PFT	STAFF MONTHS 3	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION EBA	ELECTION DISTRICT 7	LEG.			
3.	CONTINUATION LEVEL		ADDITION	XX	JUSTIFICATION						
4.	TYPE OF EMPLOYMENT			ALLOTT	<p>This position will be responsible for supervising the administrative center of the division which will include the new statewide financial responsibility and safety programs and incorporate the existing permit program for cross-utilization of personnel.</p> <p>The responsibilities will include drafting recommended procedures, monitoring program activities, analyzing results, developing corrective procedures, and reporting results to the agency head.</p> <p>The position will be required to assist in the development of the regulations drafted to administer the programs and will supervise their implementation. The implementation will entail establishing and maintaining cooperative working relationship with the regulated industries, other governmental agencies, and our department. The position will also be responsible for developing and maintaining the information necessary to evaluate the results of the programs.</p>						
5.	PERSONAL SERVICES		1	2							3
5.	Salary		8,439								
6.	Benefits		985								
7.	Supplemental Benefits		517								
8.	Fixed Benefits		1,052								
9.	TOTAL PERSONAL SERVICES		01								11.0
10.	Travel		02								10.0
11.	Contractual		03								55.0
12.	Commodities		04								2.5
13.	Equipment		05								15.0
14.	Other										
15.	TOTAL COST										93.5
16.	RECEIPT CODE	FUNDING SOURCE									
17.		Federal Receipts	1002								
18.		C.F. Hatch	1003								
19.		General Funds	1004		93.5						
20.		I-A Receipts	1005								
21.		Program Receipts	1028								
22.		Other									

FOR BSM USE ONLY  
KEY NUMBER \_\_\_\_\_

REQUEST FOR  
NEW POSITION

AGENCY Commerce & Economic Development  
PROGRAM \_\_\_\_\_  
BRU \_\_\_\_\_  
COMPONENT \_\_\_\_\_

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Revised Date \_\_\_\_\_

**FY 86**

1.	POSITION TITLE ADMINISTRATIVE ASSISTANT I				RANGE/STEP 12A	DEPT. UNIT G	PAGE/LINE	COV.	APPROV.	DISAPP.	
2.	TYPE OF POSITION PFT	STAFF MONTHS 6	RP NUMBER	PER NUMBER	BRU PRIORITY	LOCATION EBA	ELECTION DISTRICT	LEG.			
3.	CONTINUATION LEVEL				JUSTIFICATION						
4.	ADDITION XX				<p>These two positions will function as the working supervisors of the financial responsibility and motor vehicle safety programs. As such, they will ensure adherence to established procedures and will be responsible for monitoring the results produced and collect data and prepare reports for management's use. They will be required to be aware of industry needs and recommend improved procedures to achieve the stated goals and objectives in an efficient and cost effective manner. As the working supervisors, they will be the initial contact person for the regulated industries when problems arise. A great deal of judgment and tact will have to be exercised to achieve the desired results with minimum disruption of the effected agencies.</p>						
5.	PERSONAL SERVICES		1	2							3
5.	Salary		11,838								
6.	Benefits		1,740								
7.	Supplemental Benefits		726								
8.	Fixed Benefits		1,476								
9.	TOTAL PERSONAL SERVICES		01								15.8
10.	Travel		02								-0-
11.	Contractual		03								-0-
12.	Commodities		04								-0-
13.	Equipment		05								-0-
14.	Other										
15.	TOTAL COST										15.8
16.	RECEIPT CODE	FUNDING SOURCE									
17.		Federal Receipts 1002									
18.		G.F. Match 1003									
19.		General Funds 1004			15.8						
20.		I-A Receipts 1005									
21.		Program Receipts 1028									
		Other									
FOR BSM USE ONLY											
KEY NUMBER _____											

REQUEST FOR  
NEW POSITION

AGENCY Commerce & Economic Development  
 PROGRAM \_\_\_\_\_  
 BRU \_\_\_\_\_  
 COMPONENT \_\_\_\_\_

FY 86

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 Revised Date \_\_\_\_\_

FY '85

1.	POSITION TITLE CLERK TYPIST III				RANGE/STEP	BARC UNIT 8A	G PAGE/LINE	EDV.	APPROV.	DISAP.
2.	TYPE OF POSITION PFT	STAFF MONTHS 12	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION EBA	ELECTION DISTRICT	LEC.		
3.	COMBINATION LEVEL				JUSTIFICATION					
4.	ADDITION				<p>These four positions will be responsible for reviewing and processing the various documents required to administer the financial responsibility and motor vehicle safety programs. The duties will include responding to requests for program requirements information, applications, updating agency records to reflect current status of regulated agencies, and processing program information reports. These personnel will be assisting industry, wherever necessary in complying with the provisions of appropriate statutes and regulations.</p>					
5.	AA									
6.	TYPE OF EMPLOYMENT									
7.	PERSONAL SERVICES									
8.	Salary	18,636								
9.	Benefits	3,321								
10.	Supplemental Benefits	1,142								
11.	Fixed Benefits	2,324								
12.	TOTAL PERSONAL SERVICES	01		25.4						
13.	Travel	02		-0-						
14.	Contractual	03		-0-						
15.	Commodities	04		-0-						
16.	Equipment	05		-0-						
17.	Other									
18.	TOTAL COST			25.4						
19.	RECEIPT CODE	FUNDING SOURCE								
20.		Federal Receipts 1002								
21.		G.F. Match 1003								
22.		General Funds 1004		25.4						
23.		I-A Receipts 1005								
24.		Program Receipts 1028								
25.		Other								
FOR BSM USE ONLY										
KEY NUMBER _____										

REQUEST FOR  
NEW POSITION

AGENCY Commerce & Economic Development  
 PROGRAM \_\_\_\_\_  
 BRU \_\_\_\_\_  
 COMPONENT \_\_\_\_\_

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**FY 86**

1.	POSITION TITLE <b>WEIGH STATION OPERATOR I</b>	RANGE/STEP <b>12</b>	BUDG. UNIT <b>5</b>	PAGE/LINE	COY.	APPROV.	DISAPP.												
2.	TYPE OF POSITION <b>PFT</b>	STAFF MONTHS	RP NUMBER	PCN NUMBER	DRU PRIORITY	LOCATION	ELECTION DISTRICT												
3.	CONTINUATION LEVEL	ADDITION		JUSTIFICATION															
4.	Type of Employment			Amount	<p>This proposal entails changing the status of five existing positions from permanent part-time (seasonal) to permanent full-time.</p> <p>These seasonal positions are presently authorized for an average of four months each to operate the fixed weigh stations during the spring and summer peak truck traffic periods.</p> <p>We recommend changing the status of the positions to PFT in FY '85, but not funding the positions until FY '86. This will allow an appropriate amount of time to establish the safety program and initiate the procedures that will generate the workload for these positions.</p> <p>The inspectors will be located as follows:</p> <table style="margin-left: 40px;"> <tr> <td>PCN</td> <td>LOCATION</td> </tr> <tr> <td>085074</td> <td>Fairbanks</td> </tr> <tr> <td>085078</td> <td>Fairbanks</td> </tr> <tr> <td>085079</td> <td>Sterling</td> </tr> <tr> <td>085080</td> <td>Anchorage</td> </tr> <tr> <td>08-5088</td> <td>Anchorage</td> </tr> </table> <p>The inspectors will continue to operate the fixed weigh stations during peak traffic periods and will be used to monitor the motor vehicle safety program through field verification of inspection stations and inspection personnel.</p>			PCN	LOCATION	085074	Fairbanks	085078	Fairbanks	085079	Sterling	085080	Anchorage	08-5088	Anchorage
PCN	LOCATION																		
085074	Fairbanks																		
085078	Fairbanks																		
085079	Sterling																		
085080	Anchorage																		
08-5088	Anchorage																		
5.	PERSONAL SERVICES																		
5.	Salary	1	2	3															
6.	Benefits																		
7.	Supplemental Benefits																		
8.	Fixed Benefits																		
9.	TOTAL PERSONAL SERVICES	01		-0-															
10.	Travel	02		-0-															
11.	Contractual	03		-0-															
12.	Commodities	04		-0-															
13.	Equipment	05		-0-															
14.	Other																		
15.	TOTAL COST			-0-															
16.	RECEIPT CODE	FUNDING SOURCE																	
17.		Federal Receipts	1002																
18.		C.F. Match	1003																
19.		General Funds	1004	0-															
20.		I-A Receipts	1005																
21.		Program Receipts	1020																
22.		Other																	

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KEY NUMBER \_\_\_\_\_

REQUEST FOR  
NEW POSITION

AGENCY Commerce & Economic Development

PROGRAM \_\_\_\_\_

DRU \_\_\_\_\_

COMPONENT \_\_\_\_\_

Page \_\_\_\_\_ of \_\_\_\_\_

Revised Date \_\_\_\_\_

FY 86

1.	POSITION TITLE <b>ADMINISTRATIVE OFFICER I</b>	RANGE/STEP <b>7A</b>	DEPT. UNIT <b>S</b>	PAGE/LINE	COV.	APPROV.	DISAPP.
2.	TYPE OF POSITION <b>PFT</b>	STAFF TERMS <b>12</b>	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION <b>EBA</b>	ELECTION DISTRICT
3.	CONTINUATION LEVEL <b>AA</b>				ADDITION		
4.	TYPE OF EXPENDITURE				AMOUNT		
	1		2		3		
PERSONAL SERVICES							
5.	Salary			<b>35,076</b>			
6.	Benefits			<b>4,374</b>			
7.	Supplemental Benefits			<b>2,150</b>			
8.	Fixed Benefits			<b>3,980</b>			
9.	TOTAL PERSONAL SERVICES	<b>01</b>		<b>45.6</b>			
10.	Travel	<b>02</b>		<b>30.0</b>			
11.	Contractual	<b>03</b>		<b>40.8</b>			
12.	Commodities	<b>04</b>		<b>3.5</b>			
13.	Equipment	<b>05</b>		<b>8.0</b>			
14.	Other						
15.	TOTAL COST			<b>127.8</b>			
RECEIPT CODE                      FUNDING SOURCE							
16.		Federal Receipts 1002					
17.		C.F. Match 1003					
18.		General Funds 1004		<b>127.8</b>			
19.		I-A Receipts 1005					
20.		Program Receipts 1028					
21.		Other					
FOR BSM USE ONLY							
KEY NUMBER _____							

**JUSTIFICATION**

This position will be responsible for supervising the administrative center of the division which will include the new statewide financial responsibility and safety programs and incorporate the existing permit program for cross-utilization of personnel.

The responsibilities will include drafting recommended procedures, monitories program activities, analyzing results, developing corrective procedures, and reporting results to the agency head.

The position will be required to assist in the development of the regulations drafted to administer the programs and will supervise their implementation. The implementation will entail establishing and maintaining cooperative working relationship with the regulated industries, other governmental agencies, and our department. The position will also be responsible for developing and maintaining the information necessary to evaluate the results of the programs.

**REQUEST FOR  
NEW POSITION**

AGENCY Commerce & Economic Development

PROGRAM \_\_\_\_\_

BRU \_\_\_\_\_

COMPONENT \_\_\_\_\_

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Revised Date \_\_\_\_\_

**FY 86**

1.	POSITION TITLE <b>ADMINISTRATIVE ASSISTANT I</b>				RANGE/STEP <b>12A</b>	BARG. UNIT <b>G</b>	PAGE/LINE	COV.	APPROV.	DISAPP.
2.	TYPE OF POSITION <b>PFT</b>	STAFF MONTHS <b>24</b>	RP NUMBER	PER NUMBER	BRU PRIORITY	LOCATION <b>EBA</b>	ELECTION DISTRICT	LEG.		
3.	CONTINUATION LEVEL <b>AA</b> ADDITION				JUSTIFICATION These two positions will function as the working supervisors of the financial responsibility and motor vehicle safety programs. As such, they will ensure adherence to established procedures and will be responsible for monitoring the results produced and collect data and prepare reports for management's use. They will be required to be aware of industry needs and recommend improved procedures to achieve the stated goals and objectives in an efficient and cost effective manner. As the working supervisors, they will be the initial contact person for the regulated industries when problems arise. A great deal of judgment and tact will have to be exercised to achieve the desired results with minimum disruption of the effected agencies.					
4.	TYPE OF EXPENDITURE			AMOUNT						
	PERSONAL SERVICES									
5.	Salary		<b>49,728</b>							
6.	Benefits		<b>7,035</b>							
7.	Supplemental Benefits		<b>3,048</b>							
8.	Fired Benefits		<b>6,201</b>							
9.	TOTAL PERSONAL SERVICES		<b>66</b>	<b>66.0</b>						
10.	Travel	02		<b>-0-</b>						
11.	Contractual	03		<b>-0-</b>						
12.	Commodities	04		<b>-0-</b>						
13.	Equipment	05		<b>-0-</b>						
14.	Other									
15.	TOTAL COST			<b>66.0</b>						
16.	RECEIPT CODE	FUNDING SOURCE								
17.		Federal Receipts 1002								
18.		C.F. Hatch 1003								
19.		General Funds 1004		<b>66.0</b>						
20.		I-A Receipts 1005								
21.		Program Receipts 1028								
		Other								
FOR BSM USE ONLY										
KEY NUMBER _____										

REQUEST FOR  
NEW POSITION

AGENCY Commerce & Economic Development

PROGRAM \_\_\_\_\_

BRU \_\_\_\_\_

COMPONENT \_\_\_\_\_

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Revised Date \_\_\_\_\_

FY 86

1.	POSITION TITLE <b>CLERK TYPIST III</b>	RANGE/STEP	BARG. UNIT <b>8A</b>	PAGE/LINE <b>6</b>	COV.	APPROV.	DISAPP.			
2.	TYPE OF POSITION <b>PFT</b>	STAFF MONTHS <b>48</b>	RP NUMBER	PCN NUMBER	BUD PRIORITY	LOCATION <b>EBA</b>	ELECTION DISTRICT <b>7</b>			
3.	CONTINUATION LEVEL <b>KX</b>	ADDITION			JUSTIFICATION					
4.	Type of Expenditure		Amount		These four positions will be responsible for reviewing and processing the various documents required to administer the financial responsibility and motor vehicle safety programs. The duties will include responding to requests for program requirements information, applications, updating agency records to reflect current status of regulated agencies, and processing program information reports. These personnel will be assisting industry, wherever necessary in complying with the provisions of appropriate statutes and regulations.					
PERSONAL SERVICES		1	2	3						
5.	Salary		<b>78,288</b>							
6.	Benefits		<b>13,402</b>							
7.	Supplemental Benefits		<b>4,799</b>							
8.	Fixed Benefits		<b>9,763</b>							
9.	TOTAL PERSONAL SERVICES	<b>01</b>		<b>106,34</b>						
10.	Travel	<b>02</b>		<b>-0-</b>						
11.	Contractual	<b>03</b>		<b>-0-</b>						
12.	Commodities	<b>04</b>		<b>-0-</b>						
13.	Equipment	<b>05</b>		<b>-0-</b>						
14.	Other									
15.	TOTAL COST			<b>106.3</b>						
RECEIPT CODE		FUNDING SOURCE								
16.		Federal Receipts	1002							
17.		G.F. Match	1003							
18.		General Funds	1004	<b>106.3</b>						
19.		I-A Receipts	1005							
20.		Program Receipts	1028							
21.		Other								
FOR BSA USE ONLY KEY NUMBER _____										

REQUEST FOR  
NEW POSITION

AGENCY Commerce & Economic Development

PROGRAM \_\_\_\_\_

BRU \_\_\_\_\_

COMPONENT \_\_\_\_\_

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FY 86

1.	POSITION TITLE WEIGH STATION OPERATOR I			BRIDGE/STEP 12	BASIC UNIT 6	PAGE/LINE	COV.	APPROV.	DISAPP.												
2.	TYPE OF POSITION PFT	STAFF MONTHS 40	RP NUMBER	PCN NUMBER	BRD PRIORITY	LOCATION	ELECTION DISTRICT	LEG.													
3.	CONTINUATION LEVEL KX	ADDITION			JUSTIFICATION																
4.	TYPE OF EXPENDITURE			AMOUNT	<p>This proposal entails changing the status of five existing positions from permanent part-time (seasonal) to permanent full-time.</p> <p>These seasonal positions are presently authorized for an average of four months each to operate the fixed weigh stations during the spring and summer peak truck traffic periods.</p> <p>We recommend changing the status of the positions to PFT in FY '85, but not funding the positions until FY '86. This will allow an appropriate amount of time to establish the safety program and initiate the procedures that will generate the workload for these positions.</p> <p>The inspectors will be located as follows:</p> <table border="1"> <thead> <tr> <th>PCN</th> <th>LOCATION</th> </tr> </thead> <tbody> <tr> <td>085074</td> <td>Fairbanks</td> </tr> <tr> <td>085078</td> <td>Fairbanks</td> </tr> <tr> <td>085079</td> <td>Sterling</td> </tr> <tr> <td>085080</td> <td>Anchorage</td> </tr> <tr> <td>08-5088</td> <td>Anchorage</td> </tr> </tbody> </table> <p>The inspectors will continue to operate the fixed weigh stations during peak traffic periods and will be used to monitor the motor vehicle safety program through field verification of inspection stations and inspection personnel.</p>					PCN	LOCATION	085074	Fairbanks	085078	Fairbanks	085079	Sterling	085080	Anchorage	08-5088	Anchorage
PCN	LOCATION																				
085074	Fairbanks																				
085078	Fairbanks																				
085079	Sterling																				
085080	Anchorage																				
08-5088	Anchorage																				
5.	PERSONAL SERVICES																				
5.	Salary	90,699																			
6.	Benefits	11,547																			
7.	Supplemental Benefits	5,560																			
8.	Fixed Benefits	11,722																			
9.	TOTAL PERSONAL SERVICES	01		119.5																	
10.	Travel	02		-0-																	
11.	Contractual	03		-0-																	
12.	Commodities	04		-0-																	
13.	Equipment	05		-0-																	
14.	Other																				
15.	TOTAL COST			119.5																	
16.	RECEIPT CODE	FUNDING SOURCE																			
17.		Federal Receipts	1002																		
18.		C.F. Match	1003																		
19.		General Funds	1004	119.5																	
20.		I-A Receipts	1005																		
21.		Program Receipts	1028																		
		Other																			

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KEY NUMBER \_\_\_\_\_

REQUEST FOR  
NEW POSITION

AGENCY Commerce & Economic Development  
 PROGRAM \_\_\_\_\_  
 BRU \_\_\_\_\_  
 COMPONENT \_\_\_\_\_

Page \_\_\_\_\_ of \_\_\_\_\_  
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**FY 86**



STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

SL103

January 25, 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 authorizing the Department of Public Safety (DPS) to regulate the safety of motor carrier and air carrier operations. This bill amends AS 42.30.200, enacted by the Alaska Transportation Commission (ATC) initiative in the last general election, and creates several new sections in AS 42.30.

The intent of this legislation is to allow DPS to maintain an adequate level of safety requirements for commercial air and motor vehicle operations after the ATC's authority to do so is abolished. This is consistent with the portion of the initiative's statement of purpose that acknowledges that "other government agencies can insure safety standards while allowing persons to contract freely for services." The initiative has already authorized DPS to establish financial responsibility requirements and to enforce them. AS 42.30.200. This bill goes further by adding other sections to AS 42.30 to require registration of air and certain motor carriers and compliance with motor vehicle safety regulations or federal aircraft safety rules for those carriers.

The bill forbids certain motor carriers and air carriers to operate in Alaska without complying with its provisions. Proposed AS 42.30.195. The definitions for motor and air carriers, motor vehicles, aircraft, etc. are found in proposed AS 42.30.270, and were adapted from the definitions in the Motor Freight Carrier Act (AS 42.10.420) and the Air Commerce Act of 1960 (AS 02.05.250). The definitions differ from their predecessors in two ways: the four categories of motor carriers formerly recognized have been deleted and the term "motor carrier" now includes buses. Proposed AS 42.30.197 incorporates the provisions of AS 42.10.020 exempting certain vehicles from

coverage, and adds exemptions for school buses and for buses with a seating capacity of fewer than 16 persons.

The financial responsibility statute enacted by the initiative is clarified by a few amendments. AS 42.30.200. To conform the statute's terminology to other sections of the bill, the phrase "a person who carries passengers or freight for hire intrastate" is changed to "a person operating as a motor carrier or a person engaged in air commerce." A provision from AS 02.05.136 has been added, requiring 30 days' notice to DPS before insurance or surety bonds may be cancelled. The requirement that regulations be adopted under AS 42.30.200 was also added.

Proposed AS 42.30.205 gives the department the discretionary power to adopt regulations requiring carriers to obtain bonding. This provision is modeled after AS 42.10.100 and is intended to protect the public that uses the carrier's services. In keeping with the practice set up by AS 42.10.113, motor carriers are required to place their identification on their motor vehicles. Proposed AS 42.30.210.

The bill creates a new system of carrier registration. Unlike the ATC's system of issuing permits or certificates based on public convenience and necessity, this registration plan does not economically regulate entry into air or motor commerce. An intrastate motor carrier that is required to register will be registered if three simple conditions are met: the carrier shows proof of financial responsibility (which AS 42.30.200 already requires) and bonding (if required by regulation), and provides proof of compliance with safety regulations. Proposed AS 42.30.215. This latter element will be met by having all vehicles inspected by the department, or an authorized representative, once every six months, as provided in proposed AS 42.30.230(b). The inspections would be performed free of charge by a nonuniformed DPS employee. An interstate motor carrier will register its Interstate Commerce Commission (ICC) authority under proposed AS 42.30.220 just as it did under AS 42.10.135. Interstate carriers will be required to comply with Alaska's safety regulations and obtain bonding, if directed by regulation, but they will not be subject to this bill's insurance or inspection rules because those matters are governed by federal authority. An air carrier registers by providing proof of insurance, bonding, and compliance with federal safety laws. Proposed AS 42.30.225. As was set out in AS 02.05.090, air carriers must also register each aircraft used and pay an annual aircraft registration fee.

Proposed AS 42.30.225(e) and (f).

Proposed AS 42.30.235 gives DPS the ability to adopt regulations, under the Administrative Procedure Act, to carry out the bill's provisions. Other than the definitions portion, the remainder of the bill deals with enforcement and penalties for operating in violation of the provisions of this bill. If any carrier operates without the necessary insurance or bonding, or if an air carrier fails to register its aircraft, the carrier's registration can be summarily suspended, with an administrative hearing provided within 10 days. Proposed AS 42.30.240(a). This is similar to the ATC's stop-order authority in AS 42.07.181. There are three other bases for revocation, although they are not grounds for pre-hearing suspension: intentional misrepresentation of a material fact in obtaining registration; intentional failure to comply with the provisions of this bill or regulations adopted under them; and failure to pay applicable fees. Proposed AS 42.30.240(b). Carriers with a suspended registration may cure the defect any time before the hearing, or after a hearing and before registration is revoked. Proposed AS 42.30.240(c). However, if registration is revoked for any reason, the carrier must pay fees and reapply to become registered again. Revocations are appealable to the superior court. Proposed AS 42.30.240(d).

In addition to the ability to administratively handle violations by lifting a carrier's registration, DPS may also pursue enforcement actions in court. Under proposed AS 42.30.245(a)(4), designated representatives of the department may issue citations for violation of the commercial motor vehicle safety regulations. The department may pursue an action in superior court to enforce its statutes and regulations (proposed AS 42.30.245(b)) and seek a misdemeanor conviction or payment of civil penalties where applicable. Proposed AS 42.30.250 and 42.30.255. A knowing act or omission in violation of any of this bill's provisions is a misdemeanor punishable by a fine of not more than \$500, and payment of the costs of prosecution. Proposed AS 42.30.250 (modeled after AS 42.10.393 and AS 02.05.230). Carriers who operate without the necessary insurance or bonding while their registration is suspended, or who operate without obtaining registration or while registration is revoked, are subject to a civil penalty equal to the amount of revenue earned as a result of their operation, or up to \$1,000, whichever is greater. Proposed AS 42.30.255 (comparable to AS 42.10.394 and AS 02.05.231). Aircraft or motor vehicles used in commerce before registration is obtained, or after regis-

tration is revoked, may be seized by DPS. The court may order the aircraft or vehicle forfeited to the state, or may release it to the offending carrier upon payment of civil or criminal penalties. Proposed AS 42.30.245(c).

The initiative's action in abolishing the ATC and in effecting the economic deregulation of the transportation industry in Alaska creates a new era for both Alaska's residents and its industry. I believe that it is important that the legislative and executive branches of government cooperate to the fullest extent to establish a program that achieves the intent of the initiative and provides an adequate level of safety to protect the general public. I am willing to explore with the legislature other approaches to accomplishing this objective.

I urge prompt consideration of this measure before February 28, 1985 so that the roads and skies will remain safe for business and the public.

Sincerely,

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

Bill Sheffield  
Governor

STATE OF ALASKA 1985 LEGISLATIVE SESSION  
FISCAL NOTE

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

REQUEST

Bill/Resolution No.: SB103  
 Title: "...Public Safety to reg. safety of commercial vehicles..."  
 Sponsor: \_\_\_\_\_  
 Requestor: \_\_\_\_\_  
 Date of Request: \_\_\_\_\_

FISCAL DETAIL

Agency Affected: Public Safety  
 Program Category Affected: \_\_\_\_\_  
Public Protection  
 BRU, Program or Subprogram(s) Affected: \_\_\_\_\_  
Division of Motor Vehicles - Commercial Vehicle Safety

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 83	FY 84	FY 87	FY 88	FY 89	FY 90
<b>OPERATING</b>						
100 PERSONAL SERVICES		250.0	250.0	250.0	250.0	250.0
200 TRAVEL		3.0	3.2	3.4	3.6	3.8
300 CONTRACTUAL		66.0	53.6	56.3	59.1	62.1
400 SUPPLIES		7.0	7.4	7.8	8.2	8.6
500 EQUIPMENT		30.0				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
<b>TOTAL OPERATING</b>		<b>356.0</b>	<b>314.2</b>	<b>317.5</b>	<b>320.9</b>	<b>324.5</b>

<b>NON-OPERATING</b>						
----------------------	--	--	--	--	--	--

<b>REVENUE</b>						
----------------	--	--	--	--	--	--

FINDING: (Thousands of Dollars)

GENERAL FUND		356.0	314.2	317.5	320.9	324.5
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>		<b>356.0</b>	<b>314.2</b>	<b>317.5</b>	<b>320.9</b>	<b>324.5</b>

POSITIONS:

FULL-TIME		6.0	6.0	6.0	6.0	6.0
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

Prepared By: Marcia Lynn McKenzie  
 Division: Administrative Services

Phone: 465-4349

Date: 1/22/85

Approved by Commissioner: Robert J. Sundberg  
 Agency: Public Safety

Date: 1/22/85

Distribution (by Agency preparing fiscal note):

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

7/1/84

## COST ANALYSIS

The following costs are for administration of permitting, certification, bonding and insurance. These costs are in addition to the positions and funding included in the Governor's budget which are for vehicle safety inspections.

Personal Services \$250.0

1	Administrative Support Center Supervisor	Range 14
4	Administrative Support Technicians	Range 12
1	Accounting Technician II	Range 14

It is anticipated that the positions, located in Anchorage, will be transferred from the ATC component, along with needed office equipment (desks, chairs, etc.). Minimal overtime and negotiated one-time compensatory payments are included.

Travel 3.0

Contractual Services 66.0

Telephone, postage, etc.	\$25.0
Printing of applications, forms, advertisements, etc.	8.0
Space Lease	15.0
Maintenance on data/word processing equipment	1.3
Copier costs	3.0
Professional fees (Dept. of Law)	12.0
Risk Management	1.7

Supplies and Materials 7.0

Office and library supplies

Equipment 30.0

Data/word processors

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TOTAL \$356.0

For FY 87, space lease costs are transferred to the Department of Administration. A five percent annual inflation adjustment is applied beginning in FY 87.

1.	POSITION TITLE Administrative Support Technician IV				RANGE/STEP 12/D	BARG. UNIT G	PAGE/LINE	COY.	APPROV.	DISAP.	
2.	TYPE OF POSITION PFT	STAFF MONTHS 12.0	RP NUMBER	PCN NUMBER 08-7019	BRIU PRIORITY	LOCATION Anchorage	ELECTION DISTRICT	LEG.			
3.	CONTINUATION LEVEL				JUSTIFICATION						
4.	TYPE OF EXPENDITURE			AMOUNT							
	1		2		3						
	PERSONAL SERVICES										
5.	Salary										
6.	Benefits										
7.	Supplemental Benefits										
8.	Fixed Benefits										
9.	TOTAL PERSONAL SERVICES		01		37.3						
10.	Travel		02								
11.	Contractual		03		3.8						
12.	Commodities		04		1.0						
13.	Equipment		05								
14.	Other										
15.	TOTAL COST				42.1						
	RECEIPT CODE				FUNDING SOURCE						
16.					Federal Receipts 1002						
17.					G.F. Match 1003						
18.					General Funds 1004						
19.					I-A Receipts 1005						
20.					Program Receipts 1028						
21.					Other						
					42.1						
FOR B214 USE ONLY											
KEY NUMBER _____											

This position is one of four Administrative Support Technicians to be transferred from the disbanding Alaska Transportation Commission as part of an administrative unit. The six position unit will administer permitting, certification, bonding, and insurance of commercial vehicles, including both motor and air carriers.

**REQUEST FOR  
NEW POSITION**

AGENCY Department of Public Safety  
PROGRAM Life & Property Protection  
BRIU Division of Motor Vehicles  
COMPONENT Commercial Vehicle Safety

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FY 86

1.	POSITION TITLE Administrative Support Technician IV				RANGE/STEP 12/F	BARG. UNIT G	PAGE/LINE	COV.	APPROV.	DISAPPR.						
2.	TYPE OF POSITION PFT	STAFF MONTHS 12.0	RP NUMBER	PCN NUMBER 08-7013	BRU PRIORITY	LOCATION Anchorage	ELECTION DISTRICT	LEG.								
3.	CONTINUATION LEVEL				JUSTIFICATION											
4.	TYPE OF EXPENDITURE			AMOUNT	<p>This position is one of four Administrative Support Technicians to be transferred from the disbanding Alaska Transportation Commission as part of an administrative unit. The six position unit will administer permitting, certification, bonding, and insurance of commercial vehicles, including both motor and air carriers.</p>											
	PERSONAL SERVICES															
5.	Salary															
6.	Benefits															
7.	Supplemental Benefits															
8.	Fixed Benefits															
9.	TOTAL PERSONAL SERVICES		01													
10.	Travel		02	39.5												
11.	Contractual		03	3.8												
12.	Commodities		04	1.0												
13.	Equipment		05													
14.	Other															
15.	TOTAL COST			44.3												
	RECEIPT CODE	FUNDING SOURCE														
16.		Federal Receipts 1002														
17.		G.F. Match 1003														
18.		General Funds 1004		44.3												
19.		I-A Receipts 1005														
20.		Program Receipts 1028														
21.		0														
FOR BSM USE ONLY																
KEY NUMBER _____																

REQUEST FOR  
NEW POSITION

AGENCY Department of Public Safety

PROGRAM Life & Property Protection

BRU Division of Motor Vehicles

COMPONENT Commercial Vehicle Safety

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FY 86

1.	POSITION TITLE Administrative Support Technician IV				RANGE/STEP 12/F	DARG. UNIT G	PAGE/LINE	COV.	APPROV.	DISAPP.
2.	TYPE OF POSITION PFT	STAFF MONTHS 12.0	RP NUMBER	PCN NUMBER 08-7015	BRU PRIORITY	LOCATION Anchorage	ELECTION DISTRICT	LEG.		
3.	CONTINUATION LEVEL				JUSTIFICATION					
4.	TYPE OF EXPENDITURE			AMOUNT	<p>This position is one of four Administrative Support Technicians to be transferred from the disbanding Alaska Transportation Commission as part of an administrative unit. The six position unit will administer permitting, certification, bonding, and insurance of commercial vehicles, including both motor and air carriers.</p>					
	1	2	3							
	PERSONAL SERVICES									
5.	Salary									
6.	Benefits									
7.	Supplemental Benefits									
8.	Fixed Benefits									
9.	TOTAL PERSONAL SERVICES			01 39.5						
10.	Travel			02						
11.	Contractual			03 3.8						
12.	Commodities			04 1.0						
13.	Equipment			05						
14.	Other									
15.	TOTAL COST			44.3						
	RECEIPT CODE	FUNDING SOURCE								
16.		Federal Receipts 1002								
17.		C.F. Hatch 1003								
18.		General Funds 1004		44.3						
19.		I-A Receipts 1005								
20.		Program Receipts 1028								
21.		Other								
FOR BSM USE ONLY										
KEY NUMBER _____										

**REQUEST FOR  
NEW POSITION**

AGENCY Department of Public Safety  
PROGRAM Life & Property Protection  
BRU Division of Motor Vehicles  
COMPONENT Commercial Vehicle Safety

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Revised Date \_\_\_\_\_

**FY 86**

1.	POSITION TITLE Administrative Support Technician IV				RANGE/STEP 12/K	ORG. UNIT G	PAGE/LINE	COY.	APPROV.	DISAPY
2.	TYPE OF POSITION PFT	STAFF MONTHS 12.0	RP NUMBER	PCN NUMBER 08-7012	BRU PRIORITY	LOCATION Anchorage	ELECTION DISTRICT	LEG.		
3.	CONTINUATION LEVEL				JUSTIFICATION					
4.	TYPE OF EXPENDITURE				Amount					
	1		2		3					
	PERSONAL SERVICES									
5.	Salary									
6.	Benefits									
7.	Supplemental Benefits									
8.	Fixed Benefits									
9.	TOTAL PERSONAL SERVICES		01		42.5					
10.	Travel		02							
11.	Contractual		03		3.8					
12.	Commodities		04		1.0					
13.	Equipment		05							
14.	Other									
15.	TOTAL COST				47.3					
16.	RECEIPT CODE	FUNDING SOURCE								
17.		Federal Receipts 1002								
18.		G.F. Hatch 1003								
19.		General Funds 1004			47.3					
20.		I-A Receipts 1005								
21.		Program Receipts 1028								
		Other								
FOR BSM USE ONLY										
KEY NUMBER _____										

This position is one of four Administrative Support Technicians to be transferred from the disbanding Alaska Transportation Commission as part of an administrative unit. The six position unit will administer permitting, certification, bonding, and insurance of commercial vehicles, including both motor and air carriers.

**REQUEST FOR  
NEW POSITION**

AGENCY Department of Public Safety  
 PROGRAM Life & Property Protection  
 BRU Division of Motor Vehicles  
 COMPONENT Commercial Vehicle Safety

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 Revised Date \_\_\_\_\_

**FY 86**

1.	POSITION TITLE <b>Accounting Technician II</b>				RANGE/STEP <b>14/E</b>	BARG. UNIT <b>G</b>	PAGE/LINE	GOV.	APPROV.	DISAPT.
2.	TYPE OF POSITION <b>PFT</b>	STAFF MONTHS <b>12.0</b>	RP NUMBER	PCN NUMBER <b>08-7031</b>	BRU PRIORITY	LOCATION <b>Anchorage</b>	ELECTION DISTRICT	LEG.		
3.	CONTINUATION LEVEL	ADDITION		JUSTIFICATION						
4.	TYPE OF EXPENDITURE			AMOUNT	<p>This position will provide the accounting support needed for the Commercial Vehicle Safety Unit transferred from the disbanding Alaska Transportation Commission. The position is one of a unit of six which will administer the permitting, certification, bonding and insurance of commercial vehicles, including both air and motor carriers.</p>					
	1		2	3						
	PERSONAL SERVICES									
5.	Salary									
6.	Benefits									
7.	Supplemental Benefits									
8.	Fixed Benefits									
9.	TOTAL PERSONAL SERVICES		01	43.9						
10.	Travel		02							
11.	Contractual		03	3.8						
12.	Commodities		04	1.0						
13.	Equipment		05							
14.	Other									
15.	TOTAL COST			48.7						
	RECEIPT CODE	FUNDING SOURCE								
16.		Federal Receipts 1002								
17.		C.F. Match 1003								
18.		General Funds 1004		48.7						
19.		I-A Receipts 1005								
20.		Program Receipts 1020								
21.		Other								
FOR BSM USE ONLY										
KEY NUMBER _____										

**REQUEST FOR  
NEW POSITION**

AGENCY Department of Public Safety

PROGRAM Life & Property Protection

BRU Division of Motor Vehicles

COMPONENT Commercial Vehicle Safety

Page \_\_\_\_\_ of \_\_\_\_\_

Revised Date \_\_\_\_\_

FY 86

1.	POSITION TITLE Administrative Support Center Supervisor			RANGE/STEP 14/J	BARG. UNIT S	PAGE/LINE	COY.	APPROV.	DISAP.
2.	TYPE OF POSITION PFT	STAFF MONTHS 12.0	RP NUMBER	PCH NUMBER 08-7011	BRU PRIORITY	LOCATION Anchorage	ELECTION DISTRICT	LEG.	
3.	CONTINUATION LEVEL	ADDITION		JUSTIFICATION					
4.	TYPE OF EXPENDITURE			AMOUNT					
	1	2		3					
	PERSONAL SERVICES								
5.	Salary								
6.	Benefits								
7.	Supplemental Benefits								
8.	Fixed Benefits								
9.	TOTAL PERSONAL SERVICES			01	47.3				
10.	Travel			02	3.0				
11.	Contractual			03	3.8				
12.	Commodities			04	1.0				
13.	Equipment			05					
14.	Other								
15.	TOTAL COST			55.1					
	RECEIPT CODE	FUNDING SOURCE							
16.		Federal Receipts 1002							
17.		G.F. Match 1003							
18.		General Funds 1004		55.1					
19.		I-A Receipts 1005							
20.		Program Receipts 1028							
21.		Other							
FOR BSM USE ONLY KEY NUMBER _____									

This position is unit supervisor in a group of six positions to be transferred to the Department of Public Safety as a result of the disbanding of the Alaska Transportation Commission.

The unit consists of this position, four Administrative Support Technicians and one Accounting Technician II. The unit will be responsible for the administration of permitting, certification, bonding and insurance of commercial vehicles, including both motor and air carriers.

**REQUEST FOR  
NEW POSITION**

AGENCY Department of Public Safety  
 PROGRAM Life & Property Protection  
 BRU Division of Motor Vehicles  
 COMPONENT Commercial Vehicle Safety

Page      of       
 Revised Date     

**FY 86**



ALASKA STATE LEGISLATURE

14TH Legislature FIRST Session

SENATE BILL NO. 103

By THE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

"An Act providing authority for the Department of Public Safety to regulate safety of motor carrier and air carrier operations; and providing for an effective date."

Introduced in the Senate 1/25/35, 19.35

HISTORY IN THE SENATE

19	85	Read first time and referred to Committee on State Affairs, TPSP and Finance <sup>SA WAIVED TO TRANS.</sup>										
1	25	Reported back with recommendation that <i>repeal w/c new title. Lt. Content F.Y. note 3 do pass, 1 no red to Finance</i>										
1	29											
2	22											
		Read second time and										
		Read third time and										
		<table border="0"> <tr><td>PASS</td><td>Effective Date</td></tr> <tr><td>Yeas</td><td>Yeas</td></tr> <tr><td>Nays</td><td>Nays</td></tr> <tr><td>Absent</td><td>Absent</td></tr> <tr><td>Excused</td><td>Excused</td></tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused
PASS	Effective Date											
Yeas	Yeas											
Nays	Nays											
Absent	Absent											
Excused	Excused											
		Reconsideration										
		<table border="0"> <tr><td>PASS</td><td>Effective Date</td></tr> <tr><td>Yeas</td><td>Yeas</td></tr> <tr><td>Nays</td><td>Nays</td></tr> <tr><td>Absent</td><td>Absent</td></tr> <tr><td>Excused</td><td>Excused</td></tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused
PASS	Effective Date											
Yeas	Yeas											
Nays	Nays											
Absent	Absent											
Excused	Excused											
		Reported correctly engrossed										
		Signed by President										
		Sent to House										

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19		Read first time and referred to Committee on										
		Reported back with recommendation that										
		Read second time and										
		Read third time and										
		<table border="0"> <tr><td>PASS</td><td>Effective Date</td></tr> <tr><td>Yeas</td><td>Yeas</td></tr> <tr><td>Nays</td><td>Nays</td></tr> <tr><td>Absent</td><td>Absent</td></tr> <tr><td>Excused</td><td>Excused</td></tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused
PASS	Effective Date											
Yeas	Yeas											
Nays	Nays											
Absent	Absent											
Excused	Excused											
		Reconsideration										
		<table border="0"> <tr><td>PASS</td><td>Effective Date</td></tr> <tr><td>Yeas</td><td>Yeas</td></tr> <tr><td>Nays</td><td>Nays</td></tr> <tr><td>Absent</td><td>Absent</td></tr> <tr><td>Excused</td><td>Excused</td></tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused
PASS	Effective Date											
Yeas	Yeas											
Nays	Nays											
Absent	Absent											
Excused	Excused											
		Reported correctly engrossed										
		Signed by Speaker										
		Returned to Senate										

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19		Received from House
		To enrolling
		Reported correctly enrolled
		Sent to Governor
		..... by Governor
		Filed with Lt. Governor
		Chapter No. ....

STATE OF ALASKA  
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY

5.50.85  
2/26/85  
POUCHY STATE CAPITAL  
BUREAU ALASKA 99511  
907 465 3F J

MEMORANDUM

February 23, 1985

SUBJECT: Changes in CS for SB 103 (Finance)  
TO: Senator John Sackett  
FROM: Randall J. Moen *RJM*  
Legislative Counsel

Upon review of the CS for SB 103 (Finance) I recommend the following changes for clarification and conciseness:

Page 1, line 13:

Delete "commercial purposes" and insert "direct monetary compensation".

Page 4, line 11 and 12:

Delete all material and renumber the section accordingly.

Page 2, lines 9-11:

Delete "For insurance policies submitted as proof of financial responsibility under AS 42.30.225(a)(1) this requirement must be stated in the policy or endorsement" and insert "This requirement must be clearly stated in the policy or endorsement for an insurance policy submitted as proof of financial responsibility under AS 42.30.225(a)(1)."

Page 3, lines 21-25:

Delete all material and insert: "A person who has obtained a certificate to use an aircraft in air commerce from the Alaska Transportation Commission before the effective date of this act is not required to obtain a certificate of compliance under (a) of this section until the date the insurance policy for the aircraft is renewed."

RJM:csh  
c3/019



STATE OF ALASKA  
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY

270-85  
2/24/85  
6-83  
5-7-85  
POUCH Y STATE CAPITOL  
JUNEAU, ALASKA 99811  
907 465 3800

M E M O R A N D U M

February 22, 1985

SUBJECT: Sectional Analysis of  
CS SB 103(Finance)

TO: Senator John Sackett

FROM: Randall J. Moen  
Legislative Counsel *RJM*

Section 1 amends AS 42.30.200 as follows:

1. Requires a person who carries freight in a motor vehicle for commercial purposes to be financially responsible.
2. Specific minimum amounts of financial responsibility are established rather than having the Department of Public Safety determine amounts required for financial responsibility.
3. The specific minimum amounts of financial responsibility required of a person under Initiative No. 83-02 are:

If a person operates a motor vehicle:

- (a) \$200,000 for property damage in a single occurrence; and
- (b) \$500,000 for bodily injury or death in a single occurrence.

If a person operates an aircraft:

- (a) \$200,000 for property damage in a single occurrence; and
- (b) \$300,000 per seat for bodily injury or death in a single occurrence.

4. The Department of Commerce and Economic Development rather than the Department of Public Safety will enforce financial responsibility requirements.
5. Department personnel from the Department of Commerce and Economic Development, not enforcement officers from the Department of Public Safety, will enforce financial responsibility requirements.
6. Provides discretionary authority to the Department of Commerce and Economic Development to adopt procedural regulations to implement financial responsibility requirements.

Section 2 the following provisions of law are added to Initiative No. 83-02:

1. 30 days written notice must be given before a policy of insurance, surety bond, or other form of security needed for proof of financial responsibility may be cancelled. The 30 day written notice requirement must be clearly stated in a insurance policy or endorsement if submitted as proof of financial responsibility to obtain an aircraft certificate of compliance. The 30 day notice period is measured from the date the Department of Commerce and Economic Development receives the notice of cancellation.
2. A person who violates a financial responsibility requirement is guilty of a class B misdemeanor (no more than 90 days in prison) and may receive a fine of no less than \$500 and no more than \$1,000.
3. Financial responsibility requirements apply only to:
  - (a) a person who carries passengers or freight for hire in a motor vehicle, or a propeller or jet-powered aircraft; or
  - (b) a person who carries freight in a motor vehicle for commercial purposes.

Section 3 adds new sections of law to AS 42.30.200.

CERTIFICATION OF COMPLIANCE OF AIR CARRIERS

1. A person may not use an aircraft in air commerce without a certificate of compliance from the Department of Commerce and Economic Development. Before obtaining a certificate of compliance a person must present to the Department of Commerce and Economic Development proof of financial responsibility (see Section 1) and proof of compliance with Federal Aviation Administration requirements. If applicable, federal certification of scheduled airline service is required.
2. A certificate of compliance must be renewed annually at a cost of \$50.
3. A certificate of compliance is valid for 12 months and must be on the aircraft in a manner visible to boarding passengers.
4. A certificate of compliance is required for a federally-certificated interstate air carrier if it:
  - (a) provides interstate service between points in the state on an interstate or foreign route; and
  - (b) uses aircraft based primarily outside the state for intrastate service.
5. A certificate of compliance may be suspended or revoked if the aircraft is used in air commerce before obtaining the certificate of compliance.
6. An air carrier certified to operate by the Alaska Transportation Commission before the effective date of this Act does not need a certificate of compliance until it is time to renew the insurance policy for the aircraft.
7. The Department of Commerce and Economic, Development may authorize department personnel to enforce this section and adopt procedural regulations.

DEFINITIONS

The following words are defined within AS 42.30.200 - 42.30.250: air carrier, air commerce, aircraft, commercial purposes, department, freight, and motor vehicle.

Section 4 until July 1, 1985, a person who operates an aircraft and required to meet the financial responsibility requirements under AS 42.30.200 need only carry security in the amount of \$100,000 a seat for bodily injury or death in a single occurrence.

Section 5 the Department of Commerce and Economic Development is given an additional duty to implement the financial responsibility requirements for motor vehicles and air carriers under AS 42.30.200 - .225.

Section 6 this Act takes effect immediately.

RJM:ojb  
J12/010

Moen  
2/22/85✓

Original sponsor: Rules/Governor

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 103 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to transportation safety and finan-  
7 cial responsibility; and providing for an effective  
8 date."

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

10 \* Section 1. AS 42.30.200 is amended to read:

11 Sec. 42.30.200. FINANCIAL RESPONSIBILITY. (a) A person who  
12 carries passengers or freight for hire intrastate or a person who  
13 carries freight in a motor vehicle for commercial purposes shall  
14 procure and maintain security in the following minimum amounts:

15 (1) \$200,000 for property damage in a single occurrence;16 (2) \$500,000 for bodily injury or death in a single occur-  
17 rence if a person operates a motor vehicle; and18 (3) \$300,000 per seat for bodily injury or death in a  
19 single occurrence if a person operates an aircraft [AN AMOUNT DE-  
20 TERMINED BY THE DEPARTMENT OF PUBLIC SAFETY AS NECESSARY FOR THE  
21 REASONABLE PROTECTION OF THE PUBLIC AGAINST DAMAGES OR INJURY CAUSED  
22 BY THE PERSON].23 (b) Evidence of security required under (a) of this section  
24 shall be filed with the department and must be25 (1) a policy or certificate of insurance issued by an  
26 insurer acceptable to the department; or27 (2) a bond of a surety company licensed to write surety  
28 bonds in the state; or

29 (3) evidence accepted by the department, showing ability to

1 self-insure; or

2 (4) other security approved by the department.

3 (c) The department may authorize department personnel [ENFORCE-  
4 MENT OFFICERS] to enforce this section and may adopt procedural regu-  
5 lations necessary to implement this section.

6 \* Sec. 2. AS 42.30.200 is amended by adding new subsections to read:

7 (d) A policy of insurance, surety bond, or other form of secur-  
8 ity may not be cancelled on less than 30 days' written notice to the  
9 department. For insurance policies submitted as proof of financial  
10 responsibility under AS 42.30.225(a)(1) this requirement must be  
11 clearly stated in the policy or endorsement. The 30-day notice period  
12 is measured from the date on which the department receives notice.

13 (e) A person who violates (a) of this section is guilty of a  
14 class B misdemeanor and is punishable by a fine of not less than \$500  
15 or more than \$1,000.

16 (f) This section applies only to

17 (1) a person who carries passengers or freight for hire  
18 intrastate in a motor vehicle or a propeller or jet-powered aircraft;  
19 or

20 (2) a person who carries freight in a motor vehicle for  
21 commercial purposes.

22 \* Sec. 3. AS 42.30 is amended by adding new sections to read:

23 Sec. 42.30.225. CERTIFICATION OF COMPLIANCE OF AIR CARRIERS.

24 (a) A person may not use an aircraft in air commerce without obtain-  
25 ing a certificate of compliance from the department. The department  
26 shall issue a certificate of compliance upon application and presenta-  
27 tion of

28 (1) proof of financial responsibility required under  
29 AS 42.30.200;

1 (2) proof of compliance with Federal Aviation Administra-  
2 tion requirements, and, where applicable, federal certification for  
3 scheduled airline service.

4 (b) A person who receives a certificate of compliance under (a)  
5 of this section shall renew the certificate annually. The annual fee  
6 for a certificate of compliance shall be \$50.

7 (c) Each aircraft owned or leased by a person subject to the  
8 provisions of this section must have a certificate of compliance  
9 issued by the department before the aircraft is used in air commerce.  
10 The certificate is valid for a period of 12 months following the date  
11 of certification. The certificate must be displayed on the aircraft  
12 so that it is visible to boarding passengers.

13 (d) A federally-certificated interstate air carrier that pro-  
14 vides intrastate service between points in the state on an interstate  
15 or foreign route, and who uses, for that intrastate service, aircraft  
16 based primarily outside the state, must also obtain a certificate of  
17 compliance for each aircraft used in intrastate service.

18 (e) Use of an aircraft in air commerce before obtaining a cer-  
19 tificate of compliance required under (a) of this section may be cause  
20 for suspension or revocation of the certificate.

21 (f) An air carrier, who before the effective date of this Act,  
22 obtained a certificate to operate from the Alaska Transportation  
23 Commission, is not required to obtain a certificate of compliance  
24 under (a) of this section until the date on which the insurance policy  
25 on each aircraft must be renewed.

26 (g) The department may authorize department personnel to enforce  
27 this section and may adopt procedural regulations necessary to imple-  
28 ment this section.

29 Sec. 42.30.250. DEFINITIONS. In AS 42.30.200 - 42.30.250,

1 (1) "air carrier" means a person undertaking to engage in  
2 air commerce, whether directly or indirectly, or by lease, contract,  
3 or any other arrangement, and whether over regular or irregular  
4 routes;

5 (2) "air commerce" means carriage by aircraft of persons or  
6 freight, for compensation or hire, in intrastate commerce, including  
7 the carriage by aircraft of persons or freight that move partly by  
8 aircraft and partly by other forms of transportation;

9 (3) "aircraft" means a device used or designed for flight  
10 in the air;

11 (4) "commercial purposes" means something for which the  
12 person receives direct monetary compensation;

13 (5) "department" means the Department of Commerce and  
14 Economic Development;

15 (6) "freight" means all commodities, articles, and cargo,  
16 of whatever nature or value, excluding garbage and trash;

17 (7) "motor vehicle" means

18 (A) a truck of more than 10,000 pounds unladen gross  
19 vehicle weight used upon a public highway of this state; and

20 (B) a trailer registered in this state of more than  
21 5,000 pounds unladen gross vehicle weight and used upon a public  
22 highway of this state.

23 \* Sec. 4. Notwithstanding AS 42.30.200(a)(3) enacted by sec. 1 of this  
24 Act, until July 1, 1985, a person to whom AS 42.30.200 applies need only  
25 maintain security in the amount of \$100,000 a seat for bodily injury or  
26 death in a single occurrence if a person operates an aircraft.

27 \* Sec. 5. AS 44.33.020 is amended by adding a new paragraph to read:

28 (27) implement the financial responsibility requirements for  
29 motor vehicles and air carriers under AS 42.30.200 - 43.30.225.

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\* Sec. 6. This Act takes effect immediately in accordance with AS 01.-  
10.070(c).

570 85  
2/26/85

**DRAFT**

STATE OF ALASKA 1985 LEGISLATIVE SESSION  
FISCAL NOTE

Revision Date: 2/26/85

REQUEST

Bill/Resolution No.: CSSB 103 (Fin)  
Title: Relating to financial responsibility  
Sponsor: Governor  
Requestor: \_\_\_\_\_  
Date of Request: \_\_\_\_\_

FISCAL DETAIL

Agency Affected: Dept of Commerce  
Program Category Affected: Weights and Measures  
BRU, Program or Subprogram(s) Affected: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
<b>OPERATING</b>						
100 PERSONAL SERVICES		111.6				
200 TRAVEL		7.5				
300 CONTRACTUAL		20.00				
400 SUPPLIES		1.5				
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
<b>TOTAL OPERATING</b>		<b>140.6</b>				

<b>CAPITAL</b>						
----------------	--	--	--	--	--	--

<b>REVENUE</b>						
----------------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND		140.6				
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>						

POSITIONS:

FULL-TIME		4				
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

Prepared By: Joseph L. Swanson, Director  
Division: Measurement Standards

Phone: 345-7750  
Date: 2/26/85

Approved by <sup>Director</sup> Commissioner: *Joe Swanson*  
Agency: \_\_\_\_\_

Date: 2/26/85

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

# Alaska State Legislature

SENATOR  
JOHN B. "JACK" COGHILL  
Chairman

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



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

## Senate Committee on Transportation

LETTER OF INTENT

To Accompany CSSB 103 (Trans)

It is the intent of the Legislature that a study be undertaken by legislative staff to determine 1.) the effects of deregulation on air transportation service to the bush, and what measures, if any, the Legislature ought to address to ensure a minimally acceptable level of service to those areas of the state; 2.) the effects of early phase-out of the 406 Essential Air Service subsidies by the federal government on air service to rural Alaska; 3.) what federal safety regulations are applicable to Alaska intrastate air commerce, and which, if any, ought to be incorporated into the State's certification of compliance program; and 4.) the efficiency and effectiveness with which the Department of Commerce and Economic Development has established a motor vehicle safety inspection program. The results of this study shall be reported to the Second Session of the Fourteenth Alaska Legislature not later than the tenth day after it convenes.

SENATE COMMITTEE ON TRANSPORTATION

A large, stylized handwritten signature in black ink, appearing to read "John B. Coghill".

Senator John B. Coghill, Chairman

COMMITTEE REPORT  
SENATE

FURTHER: FINANCE

1/29/85

Date FEBRUARY 20, 1985

Mr. President

The Committee on TRANSPORTATION considered SB 103

providing authority for the Department of Public Safety to regulate safety of motor carrier and air carrier operation; 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 103 (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]

Paul A. Fisher

MEMBERS HAVING  
OTHER RECOMMENDATIONS

Your file, No Rec

[Signature]

Chairman

Do Pass  
Chairman recommendation




STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

M E M O R A N D U M

TO: John Shively  
Chief of Staff

DATE: February 19, 1985

FROM: Ben F. Harding   
Special Staff Assistant  
Office of the Governor

SUBJECT: Safety Aspects of  
CSSB 103

CSSB 103, which is currently under review in the Senate Transportation Committee, is designed to provide an operating framework for intrastate aviation and trucking safety procedures following the termination of the Alaska Transportation Commission (ATC) February 28.

As the Governor mentioned in his transmittal letter on this legislation, he believes that the administrative arrangements on safety issues should be flexible, provided that basic provisions to ensure safety for the traveling public are adequately addressed.

In that regard, the committee substitute appears to meet the Governor's overall objectives. There are, however, a number of exceptions which raise questions about the adequacy of the protection to the traveling public. These concerns include the following:

1. Commercial vehicle inspections have been reduced from twice a year to a once-annually inspection. In my opinion and in that of Commissioner Sundberg, Commissioner Knapp, and Deputy Commissioner Terry Elder, a once-a-year inspection is not adequate for the protection of the motoring public.
2. The committee substitute proposes that, in lieu of State commercial vehicle inspectors, private-sector mechanics be certificated by the State to perform this function. We have no objection in supporting this approach. We are concerned, however, that certificated inspectors would be allowed to be an employee of the company whose vehicles they inspect. In the highly competitive economic environment which will result

from the deregulation, an in-house inspector's independence may be questioned since he may be viewed as having divided loyalties. (A possible solution might be the certification of mechanics at service stations or other facilities which are not owned and/or operated by transportation companies.)

3. The committee substitute does not provide a clear-cut standard for basic highway truck safety rules. This could be easily remedied by referencing federal interstate rules of the road or pertinent portions of 3 AAC 62.

4. The committee substitute provides no explanation of what procedures would be used to suspend an air carrier's certificate of compliance nor makes any distinction between suspension and revocation. There is no indication of how compliance provisions can be enforced. (The aircraft registration fees will be lost, as will fees carriers used to pay to get a certificate as a carrier in the past.)

5. The annual truck safety inspection program emphasizes the role of the inspectors but does not address the following issues:

a. There is no provision for removing trucks from the road if they lack insurance, current safety stickers, or have never been inspected, short of criminal prosecution.

b. There is no authority for the State to enforce any safety regulation or inspection requirements outside of the annual inspection forum.

c. The committee substitute emphasizes the penalties for an inspector who acts wrongly but provides no serious sanction against a company for unsafe commercial vehicle use. (We proposed that operation in violation of safety rules should be punishable by citation, or removal from the road.)

e. Buses are exempt, which is somewhat inconsistent with the overall road safety policy.

f. There is no definition or explanation of the difference between suspension and revocation of vehicle inspectors' State certification. Also, there is no provision for the registration of commercial carriers, and no authority for levying fees to cover the costs of the safety inspection. (If inspections are to be done privately, fees for this may not be appropriate.)

John Shively

-3-

February 19, 1985

These points in the current draft legislation have been jointly identified by Commissioner Sundberg, Commissioner Knapp, Deputy Commissioner Terry Elder, and me. We believe that these provisions, although well-intentioned from the standpoint of insuring maximum flexibility to State government agencies and to the transportation industry, could unfortunately result in a deterioration of the present level of safety which the public in Alaska currently enjoys, both in air travel and on our highways.

The Governor has reviewed these points and asked that they be conveyed to the appropriate legislative committees as items of his concern.

## SECTIONAL ANALYSIS

FOR

### CSSB 103 (Transportation)

Section 1 amends the financial responsibility language of the initiative to include anyone carrying freight "for commercial purposes", and sets minimum insurance levels at \$200,000 for property damage; \$500,000 for bodily injury or death for motor vehicles; and \$300,000 per seat for bodily injury or death for aircraft. The section then changes "enforcement officers" to "department personnel", and allows the department to adopt procedural regulations.

Section 2 adds language to the financial responsibility section to require 30 days notice of cancellation of a policy (but exempts currently-effective policies which may not say this); sets a minimum fine of \$500 for violation of this section; and applies the section to only certain size vehicles and certain kinds of aircraft.

Section 3 establishes a certificate of compliance program for aircraft used in air commerce. A certificate would be renewed annually with a fee of \$50, and would be issued by the department if the applicant showed proof of financial responsibility and compliance with FAA requirements.

The section further requires the certificate to be displayed for boarding passengers to read, requires interstate carriers to obtain the certificate for aircraft used intrastate, and would allow the suspension or revocation of the certificate if the plane was used in commerce before the certificate was obtained. Finally, ATC-authorized carriers are "grandfathered in" until the renewal dates on their insurance policies, in order to spread the paperwork out over the year.

Section 3 then establishes a motor vehicle inspection program in Commerce. Subsection .300 would require two inspections a year, and a vehicle registration could be denied if the inspection has not been done. The commissioner is allowed to adopt regulations to implement the section, and to achieve reciprocity with the other western states.

Subsection .310 exempts U.S. government vehicles.

Subsection .320 describes how official inspection stations will be permitted by the State - if properly equipped, and with a certified inspector on staff. It allows the department to inspect a vehicle or enter an official inspection station to check on the work of an inspector. It allows the department to suspend or revoke a permit, and allows for action by the permit-holder in such case.

Subsection .330 establishes a system for certifying vehicle inspectors, allows for suspension of certification, and a process of

appeal of suspension.

Subsection .340 directs an inspector to issue a certificate of inspection if the vehicle is found to be unsafe, and to keep a record of inspections, auditable by the department.

Subsection .350 prohibits falsely representing to be an inspection station, or issuing certificates of inspection without a permit.

Subsection .360 prohibits the making or use of counterfeit certificates of inspection, or using a certificate of inspection on an unqualified vehicle.

Subsection .370 makes violation of the section a class B misdemeanor.

Subsection .380 provides definitions of "air carrier", "air commerce", "aircraft", "commercial purposes", "department", "freight", and "motor vehicle".

Section 4 provides a later effective date of July 1, 1985 for the requirement in Section 1 that aircraft operators have \$300,000 per seat insurance. This will allow some of those operators to phase in from \$100,000 to the new minimum.

Section 5 adds implementation of the financial responsibility requirements to the duties of the commissioner.

Section 6 provides an immediate effective date.

## ANALYSIS OF SB-103

### I. Background to SB-103

Public initiative #3 not only abolished the ATC, it also enacted a statute which authorized the Dept. of Public Safety to establish and enforce financial responsibility requirements for public carriers. (See AS 42.32.200 in Text of Initiative) According to the Alaska Constitution, a public initiative can be amended by the Legislature.

Thus, based upon this authority and the ability to amend, the Governor has introduced a bill which not only requires financial responsibility of carriers, but goes further to establish a method of registering the truck and airline companies. The legislative counsel has analyzed SB-103 and opined that it does not violate this section of the Constitution. (See Counsel's Opinion) Nevertheless, this bill has been attacked as being contrary to the letter and spirit of the initiative. (See Libertarian Objections)

### II. Effect of SB-103

SB-103 has the following features: (references are to sections of bill)

#### A. Applicability

The law applies to all commercial aircraft and to all commercial vehicles weighing over 5,000 gross tons except for government vehicles, vehicles which transport only mail, newspapers, periodicals, or small packages, school buses, other buses which carry less than sixteen passengers, and farm vehicles. (.195, .197)

#### B. Financial Responsibility & Identification

The Department of Public Safety (DPS) will establish by regulation the amount of insurance required of each commercial plane or vehicle operator. No insurance can be cancelled without first giving DPS 30 days notice. (amendments to .200)

The Alaska Air Carriers Association (AACA), however, recommends that a minimum of \$250,000 per seat of liability insurance be required of air carriers and that this amount be set by statute. (See Carrier's Opinion)

In addition to insurance, DPS by regulation may require carriers to post security bonds and shall require identification markings on all vehicles and planes. (.205, .210)

Analysis (Original Bill)

## C. Registration of Carriers

The Governor claims that these requirements will not, as did the ATC, economically regulate entry into air or motor commerce.

### 1. Intrastate Motor Carriers

Annual registration will be given to carriers who show proof of insurance, proof of bonding if required, payment of fees, and proof of compliance with applicable safety regulations. Safety compliance will be determined by mandatory inspections conducted every six months by non-uniformed DPS personnel. (.215)

### 2. Interstate Motor Carriers

Annual registration will be given to interstate carriers who show proof of ICC operating authority, proof of bonding if required, payment of fees, and proof of compliance with applicable state safety regulations. (Proof of insurance is already required for ICC authority.) (.220)

### 3. Air Carriers

Annual registration will be given to air carriers who show proof of insurance, proof of bonding if required, compliance with state and federal safety regulations. These carriers must also register each aircraft annually and pay an annual aircraft registration fee for each. (.225)

The AACA believes that the Department of Commerce, rather than DPS, would be better suited to handle air carrier registration.

## D. Enforcement & Penalties

### 1. Administrative suspension of carrier's registration

A carrier's registration may be summarily suspended (i.e. before he is afforded a hearing) if he operates his vehicle or plane without required insurance, bonding, or aircraft registration. It may be suspended after a hearing if the carrier has misrepresented his registration application, failed to pay fees, or failed to comply with other regulations. (.240)

### 2. Judicial enforcement

DPS may issue citations for violations of the law, and the state superior court may render misdemeanor convictions (fine up to \$500) or civil penalties (up to \$1000). The law also provides that vehicles and aircraft used by violators may be seized and forfeited to the state. (.245, .255)

### III. Fiscal Implications of Bill

DPS projects that it will cost a total of \$1,633,100 over the next five years to add the six employees and equipment needed for permitting, certification, bonding and insurance. Vehicle safety inspections may require additional funds. Some of the DPS positions and equipment are expected to be transferred from the ATC component so the net cost to the state will not be as high as the fiscal note suggests.

**FULL TEXT OF INITIATIVE**  
**Initiative No. 83-02**

For an Act entitled: "An Act terminating the Alaska Transportation Commission and repealing transportation laws administered by the commission; requiring persons who carry passengers or freight for hire to hold insurance or other security; and requiring the governor to lobby Congress for the repeal of the federal Jones Act."

**BE IT ENACTED BY THE PEOPLE OF THE STATE OF ALASKA:**

\* Section 1. **STATEMENT OF PURPOSE.** The people of Alaska recognize that

- (1) because of Alaska's great size and distance from markets, Alaskans must have access to efficient low-cost transportation in order for people and goods to move safely inside and outside the state;
- (2) a little-known but powerful state regulatory agency, the Alaska Transportation Commission (ATC), creates motor and air carrier monopolies by legalized price fixing and tariffs, which artificially raises shipping rates and makes consumer goods more expensive for all Alaskans;
- (3) the primary purpose of the ATC is to fix rates, not promote safety, and other government agencies can insure safety standards while allowing persons to contract freely for services;
- (4) abolishing the ATC and its anti-competitive practices will subject air carriers and trucking companies to free market competition, thereby reducing freight rates, improving service, and saving Alaskan consumers millions of dollars each year;
- (5) a federal law, known as the Jones Act, requires that ships bound for Alaska from other American ports must be built and registered in the United States and staffed with American crews, thereby granting such ships an unfair monopoly and protecting them from free market competition, which costs Alaskan consumers millions of dollars each year;
- (6) the Jones Act should be repealed, and the governor should use all appropriate means to persuade Congress to do so.

\* Section 2. AS 29.48 is amended by adding a new section to read:

**Sec. 29.48.036. REGULATION OF TRANSPORTATION CARRIERS.**

Notwithstanding AS 29.48.035(a), a municipality may not regulate an activity regarding transportation of passengers or freight for hire if the regulation conflicts with the regulation of that activity by the Alaska Transportation Commission as the regulation existed on April 1, 1983 under former AS 02.05, AS 42.07, or AS 42.10.

\* Section 3. AS 42.30 is amended by adding a new section to read:

**ARTICLE 5. RESPONSIBILITIES OF MOTOR AND AIR CARRIERS.**

**Sec. 42.30.200. FINANCIAL RESPONSIBILITY.**

(a) A person who carries passengers or freight for hire intrastate shall procure and maintain security in an amount determined by the Department of Public Safety as necessary for the reasonable protection of the public against damages or injury caused by the person.

(b) Evidence of security required under (a) of this section shall be filed with the department and must be

- (1) a policy or certificate of insurance issued by an insurer acceptable to the department; or
- (2) a bond of a surety company licensed to write surety bonds in the state; or
- (3) evidence accepted by the department, showing ability to self-insure; or
- (4) other security approved by the department.

(c) The department may authorize enforcement officers to enforce this section.

\* Section 4. AS 44.19 is amended by adding a new section to article 1 to read:

**Sec. 44.19.035. JONES ACT REPEAL.** The governor shall use best efforts and all appropriate means to persuade the United States Congress to repeal 46 U.S.C. secs. 861, et seq., known as the Jones Act. Until that Act is repealed, the governor shall publish an annual report documenting the harmful effects of the Act on Alaska commerce, and progress made towards its repeal. The report shall be submitted to the legislature no later than its convening each year.

\* Section 5. If any provision of this Act is held invalid, the remaining provisions of this Act are severable and remain in effect.

\* Section 6. AS 02.05.; AS 28.10.411(b); AS 39.25.120(c)(7); AS 39.50.200(b)(30); AS 42.07; AS 42.10; and AS 44.66.010(a)(2) are repealed.

STATE OF ALASKA  
THE LEGISLATURE

POUCH Y STATE CAPITOL  
JUNEAU ALASKA 99811  
907 465 3800

LEGISLATIVE AFFAIRS AGENCY

M E M O R A N D U M

January 31, 1985

SUBJECT: Senate Bill 103 as amending initiative 83-02  
TO: Senator Jack Coghill  
FROM: George W. Edwards *JWC*  
Legislative Counsel

This is in response to your research request concerning the constitutional implications of Senate Bill 103 as an amendment to initiative 83-02 regarding the termination of the Alaska Transportation Commission.

Article XI, section 6 of the Alaska Constitution states that an initiative passed into law may not be repealed by the legislature for two years. It further states that such an initiative may be amended at any time.

This legislative power to amend has been broadly defined by the Alaska supreme court as a check or balance against the initiative process lest the process otherwise result in the frustration of sound government (see Warren v. Boucher 543 P2d 731 (Alaska, 1975) and Warren v. Thomas 568 P2d 400 (Alaska, 1977)). While the amendment process may not be employed by the legislature to so emasculate an initiative as to effectively repeal it, it may legitimately be used to clarify the law or to effectuate the intent of the electorate.

In order to determine the appropriateness of an amendment to an initiative the language and intent of the initiative and the language and effect of the amendment must be considered. If the amendatory language may be interpreted not to vitiate the intent of the initiative, the court is likely to approve the legislature's right to adopt the language.

Initiative 83-02 was concerned with, among other things, abolishing the ATC for the purpose of eliminating legalized price-fixing and tariffs. It proposed that other government

COUNSEL'S OPINION RE:  
SB103 AMENDING INITIATIVE

Senator Jack Coghill  
January 31, 1985  
Page 2

agencies could insure transportation safety standards and that financial responsibility of commercial carriers should be overseen by the Department of Public Safety. Senate bill 103 does not appear to incorporate any price support or tariff provisions which would conflict with the intent of the initiative. It contains provisions concerning financial responsibility and safety which are consistent with the terms of the initiative. It goes beyond the literal terms of the initiative in requiring both bonds to protect shippers and equipment registration, but these provisions serve a rational purpose and are not in conflict with the apparent intent of the initiative.

In summary, Senate Bill 103 does not appear to violate the constitutional provision concerning the amendment of initiatives.

GWE:csh  
c2/199

Testimony prepared for the  
Senate Transportation Committee  
regarding Senate Bill 103 by  
the Alaska Air Carriers Association

February 28, 1985

Mr. Chairman and members of the Senate Transportation Committee, my name is Bob Jacobsen and I am here today on behalf of the Alaska Air Carriers - an association comprised of 115 member air service companies throughout Alaska.

I would like to begin by commending the Committee for its early review of this matter both because it is of great concern to our association and because of the February 28 deadline after which the Alaska Transportation Commission will no longer be in existence.

On Friday, I was present for the testimony of Representative Marrou regarding the intent of people who voted for the initiative which abolished A.T.C. We appreciate Representative Marrou's efforts to remove unnecessary regulatory constraints which impede free competition among air carriers. But it is also important for the Committee to recognize that among the people I know who voted in favor of the initiative, including some members of our organization, did so to express opposition to an overemphasis by A.T.C. on economic regulation and underemphasis on safety and fitness which are and should continue to be a primary concern of government. The only safe conclusion to draw when trying to figure out the intent of the initiative's supporters is that they believe in greater freedom of competition in the transportation industry and what they hope will be lower freight and passenger cost. That is the only common thread which ties the motor carriers, air carriers, and Jones Act (water) carriers together in the initiative.

We feel that it would be a mistake to conclude that Alaskans are no longer concerned with safety or that the initiative standing alone will assure that the transportation industry is as safe as possible. For this reason, we appreciate the efforts of Governor Sheffield in introducing legislation which we feel is necessary to protect public safety.

While we agree with the intent of Senate Bill 103, we do have some suggestions which we think will simplify and improve it.

AK AIR CARRIERS'  
OPINION

First, the registration, insurance provisions, and proof of FAA certification, as they apply to the air carriers are similar to the occupational licensing function of the Department of Commerce. We believe the registration of air carriers would be handled by that Department more efficiently and at lower cost than by the Department of Public Safety.

Second, the minimum liability insurance which is currently required by A.T.C. for air carriers is \$100,000 per seat (non-certificated carriers). The minimum liability insurance which must be carried by certificated carriers is \$300,000 per seat. I have been advised by an attorney in Anchorage knowledgeable in this jurisdiction that the average death settlement in 1982 was approximately \$250,000. Rather than allow the minimum liability insurance requirement to be set by regulation, we suggest you consider this and recommend that you establish it by statute.

When the federal government recently deregulated the airline industry, the same issues were addressed as those now before the committee. In the decision to sunset the Civil Aeronautics Board (C.A.B.), it was decided by Congress that the economic regulatory function of the agency would be discontinued, but that oversight of fitness and financial responsibility for certificated carriers be transferred to the federal Department of Transportation. The certification process requires an application, an operations and business plan, and a declaration of previous accidents, consumer complaints, and judgments awarded against the applicant. The application is reviewed and awarded based on fitness to operate, not upon the competitive effects of the business.

Because we recognize that the line between economic regulation and public safety - one key aspect of which is financial responsibility and fitness to operate - is not easy to define with precision; and because we also feel strongly that legislation should be in place February 28 to protect public safety, we do not believe it is possible to tackle this issue without risk of delay beyond that date. Therefore, we strongly urge the Committee to consider an amendment which would require the administration to undertake an interim study which would:

1. Examine the federal certification process for scheduled carriers to determine which aspects are desirable to incorporate in the state registration process in the interest of public safety.
2. Examine the impact of deregulation on rural air service to determine whether measures designed to insure reliability of service are necessary.

The results of this study would be reported back to the next session of the legislature with recommendations.

We also recommend to you that because of some fundamental differences between the air and trucking industries, that you divide the Governor's bill into two separate bills.

Last, Mr. Chairman, we sympathize with your task in reducing state expenditures this year to bring them in line with available revenues. In FY 85, A.T.C. was budgeted at \$1.4 million. We feel that the Governor's bill with the amendments we have suggested could be administered by the Department of Commerce for a much smaller budget.

January 25, 1985

TO: Senator Jack Coghill, Chairman, Senate Transportation Committee  
FROM: Andre Marrou, Representative, House Transportation Committee  
SUBJECT: Governor's Proposed <sup>bill</sup> to Re-regulate Transportation

*Andre*  
*M*

Mr. Chairman, at your request, I am submitting this memorandum to try to delineate what appears to be an effort by the Executive Branch to contravene the will of the people as expressed in the November 1984 election. In that election, the people voted to de-regulate transportation and to abolish the Alaska Transportation Commission by a vote of 116,891 to 78,663. This is a vote of approximately 60% to 40%. In fact, substantially more Alaskans voted to de-regulate transportation than voted to elect Governor Sheffield two years before.

Following a 38-page report by the Department of Commerce and Economic Development, in November 1984, after the election, and at least four memoranda by the Attorney General's Office on November 16, 23, & 29, 1984 and January 8, 1985, the Governor is considering a bill approximately 16 to 24 pages in length that would re-regulate portions of the statutes that were de-regulated by the people only 2 1/2 months ago.

The initiative repealed portions of 7 sections of Alaska Statutes, including the following 3 in their entirety:

- AS 02.05 Alaska Air Commerce Act
- AS 42.07 Alaska Transportation Commission Act,
- AS 42.10 Alaska Motor Freight Carrier Act.

In the draft of the Governor's bill which I have seen, portions of AS 42.10 and AS 02.05 are re-written almost verbatim as additions to AS 42.30, Miscellaneous Regulations Governing Public Utilities and Carriers, starting with AS 42.30.195. The following is a compendium comparing the new proposed statutes with the old repealed statutes:

New AS 42.30.195 is almost a word for word combination of old AS 42.10.030 and AS 02.05.040.

New AS 42.30.197 is essentially a verbatim extract of old AS 42.10.020.

New AS 42.30.200 is as required by the initiative, except with a new section (d) added by the Governor, and a change to the language of section (a). These changes substantially increase the scope of the regulation, and further stipulates that the Department shall adopt regulations considerably in excess to that provided by the initiative.

LIBERTARIAN OBJECTIONS  
TO AMENDING INITIATIVE

New AS 42.30.205 is essentially a verbatim extract of old AS 42.10.100.

New AS 42.30.210 is a partial re-write of old AS 42.10.113.

New AS 42.30.215 is a re-write of old AS 42.10.135 and AS 42.10.140.

New AS 42.30.220 is, so far as I can tell, a total invention and a new statute, requiring registration of a motor carrier not only with the State of Alaska, but also with the federal Interstate Commerce Commission.

New AS 42.30.225 is a re-write of all or portions of old AS 02.05.075, .080, .090.

New AS 42.30.230 is evidently another new invention and proposed new statute.

New AS 42.30.235 is a re-write with small changes of old AS 42.10.110 and AS 02.05.030.

New AS 42.30.240 is a combination of minor re-writes of old AS 42.10.230 and AS 02.05.100.

New AS 42.30.245 is a virtual verbatim extract of old AS 42.07.171 and AS 42.10.391, with a little thrown in from AS 02.05.210.

Similarly, new AS 42.30.250 is an almost verbatim extract of old AS 42.10.393, with a little from AS 02.05.230. Once again, new AS 42.30.255 is almost verbatim extracted from AS 42.10.394, with a little from AS 02.05.231.

By the same token, new AS 42.30.260 is almost a direct extract of old AS 42.10.395, with a little from AS 02.05.232.

Once again, new AS 42.30.265 is almost directly extracted from old AS 42.10.398, plus some from AS 02.05.233.

The last proposed new statute is new AS 42.30.270, which is extracted essentially verbatim from the old AS 42.10.420 and AS 02.05.250.

As you can see, Mr. Chairman, the proposed Act by the Governor amounts to nothing more or less than a blatant attempt to circumvent the will of the people and re-enact legislation which the people have repealed by a substantial vote less than 3 months ago.

I might also state for the record that Section 6 of Article 11 of the Alaska Constitution provides clearly that "initiated law becomes effective 90 days after certification, is not subject to veto, and may not be repealed by the Legislature within 2 years of its effective date. It may be amended at any time."

This latter "amend" clause has been cited by the Attorney General's Office in one of the aforementioned opinions and was recommended by that office as providing broad latitude for the Alaska Transportation Commission essentially to do what they want.

For example, the Attorney General's memoranda dated November 16, 1984, states, in replying to the Alaska Transportation Commission, "You have asked if you should be using this 90-day period to wind down the ATC's affairs, with the objective of closing up shop by the initiative's effective date. As I previously indicated to you, you should be conducting business as usual, for several reasons."

Again, the Attorney General's office stated, "The Legislature may extend the initiative's effective date, revise the substance of the initiative, or both. Until you get some sense of what action, if any, the Legislature might take in the next session, you cannot depend on your laws becoming void in late February or early March. Finally, even though those laws may, in fact, be repealed 90 days after certification of the election results, they do not necessarily vanish immediately".

As you can see, Mr. Chairman, the Attorney General's office essentially encouraged the Alaska Transportation Commission to continue business as usual and, by and large to ignore the will of the people as expressed in the initiative petition passed in November 1984.

In the Attorney General's memorandum of November 23, 1984, addressed to the Governor's office, are listed repealed statutes that are to be considered for re-enactment:

"These are listed below, along with the references to other Federal Agencies which are found in AS 02.05 and other areas that should be considered if another department is to take up where the ATC leaves off."

"There are several ATC functions being repealed which should be considered for legislation. The list follows:"

"I have not attempted to draw a fine legal distinction between health and safety issues and matters of economic regulation. Many of the items listed under health and safety can be considered a form of economic regulation."

"Policymakers should decide...(whether)...to continue some type of certification/permit/registration process, bond requirements, civil and criminal penalties, weigh fees, vehicle identification, etc."

"Those regulations should be examined and consideration should be given to transferring safety and other regulations to a department with the authority to adopt and enforce them."

And again in the Attorney General's memorandum of November 29, 1984:

"The questions of which department might assume responsibility for transferred regulations...is left open at this point."

In another memorandum by the Attorney General's office, dated January 8, 1985, and addressed to the Office of the Governor, the Attorney sets out a procedure to be accomplished with the proposed new act. In fact, some of the language in that 6-page memorandum is amazing in its clarity as to how to circumvent or contravene the initiative petition as passed by the people. For example:

"The regulations setting up insurance requirements could be taken from those the ATC has currently..."

"DPS would like the authority to continue requiring carriers to be bonded, a power currently given the ATC by AS 42.10.100. As I understand it, the bonding of the business is independent of the financial responsibility requirement established for each vehicle."

"At a minimum, proposed legislation should give DPS the power to adopt regulations for motor carrier safety. Under this authority, DPS would adopt the ATC's regulations currently found..."

"DPS proposes to go a step further than merely adopting the ATC's safety regulations by implementing a semi-annual truck inspection." *RETURN*

"As an additional enforcement tool for the insurance and safety requirements, DPS wants to institute a registration system for both intra-state air and motor freight carriers." *ALL MOTOR VEHICLES*

"AS 42.30.220 of the attached bill draft sets up the skeleton of a registration system for both air and motor carriers operating intra-state. AS 42.30.230 re-enacts current AS 42.10.135 to provide for registration of inter-state motor carriers."

"Do you want a requirement that motor vehicles display identification for owner and registration number on the side of trucks, similar to former AS 42.10.113?"

"AS 42.10.394 and AS 02.05.231 provided for civil money penalties in certain circumstances-- should these be included in the bill and for what offenses?"

"AS 42.10.393 and AS 02.05.230 also made violations of the Motor Freight Carrier Act and Air Commerce Act of 1960 misdemeanors. Should similar provisions be included in this bill, and for what offenses? Do you want a section similar to AS 02.05.232, making each violation a separate offense?"

Mr. Chairman, I should re-iterate again, that the initiative petition passed by the people in early November 1984 specifically repealed all portions of AS 42.10 Alaska Motor Freight Carrier Act and AS 02.05 Alaska Air Commerce Act of 1960. By suggesting these statutes be re-enacted in a memorandum to the Office of the Governor, the Office of the Attorney General shows arrogant and flagrant disregard for the will of the people as expressed in a free election. In my opinion, this attitude must not go unnoticed nor unheralded. If we are to maintain a degree of freedom from governmental control of our lives, then we must not allow our State Executive Branch to attempt to re-enact what the people have so soundly and so recently repealed.

Offered: 2/22/85  
Referred: Finance

Original sponsor: Rules/Governor

1 IN THE SENATE BY THE TRANSPORTATION COMMITTEE  
2 CS FOR SENATE BILL NO. 103 (Transportation)  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 FOURTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to transportation safety and finan-  
7 cial responsibility; and providing for an effective  
8 date."

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

10 \* Section 1. AS 42.30.200 is amended to read:

11 Sec. 42.30.200. FINANCIAL RESPONSIBILITY. (a) A person who  
12 carries passengers or freight for hire intrastate or a person who  
13 carries freight in a motor vehicle for commercial purposes shall  
14 procure and maintain security in the following minimum amounts:

15 (1) \$200,000 for property damage in a single occurrence;

16 (2) \$500,000 for bodily injury or death in a single occur-  
17 rence if a person operates a motor vehicle; and

18 (3) \$300,000 per seat for bodily injury or death in a  
19 single occurrence if a person operates an aircraft [AN AMOUNT DE-  
20 TERMINED BY THE DEPARTMENT OF PUBLIC SAFETY AS NECESSARY FOR THE  
21 REASONABLE PROTECTION OF THE PUBLIC AGAINST DAMAGES OR INJURY CAUSED  
22 BY THE PERSON].

23 (b) Evidence of security required under (a) of this section  
24 shall be filed with the department and must be

25 (1) a policy or certificate of insurance issued by an  
26 insurer acceptable to the department; or

27 (2) a bond of a surety company licensed to write surety  
28 bonds in the state; or

29 (3) evidence accepted by the department, showing ability to

1 self-insure; or

2 (4) other security approved by the department.

3 (c) The department may authorize department personnel [ENFORCE-  
4 MENT OFFICERS] to enforce this section and may adopt procedural regu-  
5 lations necessary to implement this section.

6 \* Sec. 2. AS 42.30.200 is amended by adding new subsections to read:

7 (d) A policy of insurance, surety bond, or other form of secur-  
8 ity may not be cancelled on less than 30 days' written notice to the  
9 department. For insurance policies submitted as proof of financial  
10 responsibility under AS 42.30.225(a)(1) this requirement must be  
11 clearly stated in the policy or endorsement. The 30-day notice period  
12 is measured from the date on which the department receives notice.

13 (e) A person who violates (a) of this section is guilty of a  
14 class B misdemeanor and is punishable by a fine of not less than \$500  
15 or more than \$1,000.

16 (f) This section applies only to a person who carries passengers  
17 or freight for hire in a motor vehicle weighing 10,000 pounds or more,  
18 or a propeller or jet-powered aircraft.

19 \* Sec. 3. AS 42.30 is amended by adding new sections to read:

20 Sec. 42.30.225. CERTIFICATION OF COMPLIANCE OF AIR CARRIERS.

21 (a) A person may not use an aircraft in air commerce without obtain-  
22 ing a certificate of compliance from the department. The department  
23 shall issue a certificate of compliance upon application and presenta-  
24 tion of

25 (1) proof of financial responsibility required under  
26 AS 42.30.200;

27 (2) proof of compliance with Federal Aviation Administra-  
28 tion requirements, and, where applicable, federal certification for  
29 scheduled airline service.

1 (b) A person who receives a certificate of compliance under (a)  
2 of this section shall renew the certificate annually. The annual fee  
3 for a certificate of compliance shall be \$50.

4 (c) Each aircraft owned or leased by a person subject to the  
5 provisions of this section must have a certificate of compliance  
6 issued by the department before the aircraft is used in air commerce.  
7 The certificate is valid for a period of 12 months following the date  
8 of certification. The certificate must be displayed on the aircraft  
9 so that it is visible to boarding passengers.

10 (d) A federally-certificated interstate air carrier that pro-  
11 vides intrastate service between points in the state on an interstate  
12 or foreign route, and who uses, for that intrastate service, aircraft  
13 based primarily outside the state, must also obtain a certificate of  
14 compliance for each aircraft used in intrastate service.

15 (e) Use of an aircraft in air commerce before obtaining a cer-  
16 tificate of compliance required under (a) of this section may be cause  
17 for suspension or revocation of the certificate.

18 (f) An air carrier, who before the effective date of this Act,  
19 obtained a certificate to operate from the Alaska Transportation  
20 Commission, is not required to obtain a certificate of compliance  
21 under (a) of this section until the date on which the insurance policy  
22 on each aircraft must be renewed.

23 (g) The department may authorize department personnel to enforce  
24 this section and may adopt procedural regulations necessary to imple-  
25 ment this section.

26 ARTICLE 6. MOTOR VEHICLE SAFETY INSPECTIONS.

27 Sec. 42.30.300. MOTOR VEHICLE SAFETY INSPECTIONS. (a) A motor  
28 vehicle may not be operated on the public highways of this state  
29 without a certificate of inspection. A certificate of vehicle

1 registration may not be issued to a motor vehicle under AS 28.10.041-  
2 (a)(4) without a current certificate of inspection if the motor  
3 vehicle is required to obtain a certificate of inspection under this  
4 section. An owner of a motor vehicle shall renew a certificate of  
5 inspection at least twice a year at an official inspection station  
6 under AS 42.30.320. An owner of a motor vehicle shall display a  
7 sticker of inspection visible from outside the vehicle in a location  
8 determined by the department.

9 (b) The commissioner of commerce and economic development may  
10 adopt procedural regulations appropriate to achieve reciprocity with  
11 other western states and necessary to implement this section.

12 Sec. 42.30.310. EXEMPTIONS. A motor vehicle is exempt from the  
13 requirements of AS 42.30.300 if it is owned by the government of the  
14 United States of America.

15 Sec. 42.30.320. OFFICIAL INSPECTION STATIONS. (a) A person may  
16 not operate an inspection station without a permit from the depart-  
17 ment. The department shall approve an application for permit to  
18 operate an inspection station, if

19 (1) the department determines the inspection station has  
20 proper equipment and competent personnel; and

21 (2) a certified vehicle inspector under AS 42.30.330 is  
22 employed at the inspection station.

23 (b) After the department approves an application for permit to  
24 operate an official inspection station under (a) of this section, it  
25 shall provide the applicant with a permit, certificates of inspection,  
26 and inspection stickers.

27 (c) Upon receipt of a permit from the department under (c) of  
28 this section, the operator of an official inspection station shall  
29 post the permit in a conspicuous place at the location designated by

1 the department.

2 (d) The department may inspect a motor vehicle or enter the  
3 premises of the operator of an official inspection station at any time  
4 to inspect the work of the certified vehicle inspectors under AS 42.-  
5 30.330 or to determine if the operator continues to meet the require-  
6 ments of this section.

7 (e) The department shall suspend or revoke a permit of an opera-  
8 tor of an official inspection station if the operator fails to meet  
9 the requirements of this section.

10 (f) Upon notice of suspension or revocation of a permit under  
11 (e) of this section, the operator of an official inspection station  
12 shall immediately terminate all inspection activities, and on demand  
13 by the department, return the permit and all certificates of inspec-  
14 tion. The department shall issue a receipt for all unused certifi-  
15 cates of inspection.

16 (g) If a permit is suspended or revoked under (e) of this sec-  
17 tion, the department shall give an operator of an official inspection  
18 station a hearing, upon written request filed with the department  
19 within 10 days after suspension or revocation.

20 (h) A permit to operate an official inspection station may not  
21 be assigned, transferred, or used at a location other than the lo-  
22 cation designated by the department.

23 Sec. 42.30.330. CERTIFICATION OF VEHICLE INSPECTORS. (a) A  
24 person may not conduct a motor vehicle inspection at an official  
25 inspection station under AS 42.30.320 unless certified as a vehicle  
26 inspector by the department.

27 (b) The department may suspend the certification issued to a  
28 vehicle inspector under (a) of this section if the vehicle inspector  
29 improperly conducted inspections or failed to comply with a provision

1 of this section or regulations adopted under it.

2 (c) If a certificate is denied or suspended under (b) of this  
3 section the department shall give a vehicle inspector a hearing upon  
4 written request filed with the commissioner within 10 days after  
5 denial or suspension.

6 Sec. 42.30.340. ISSUANCE OF CERTIFICATE OF INSPECTION. (a) A  
7 person operating an official inspection station shall issue a certifi-  
8 cate of inspection to the owner of a motor vehicle after determining  
9 the motor vehicle is in a safe and mechanically sound condition.

10 (b) A person operating an official inspection station shall keep  
11 a record of each inspection performed at the station and the depart-  
12 ment may audit the records of an official inspection station at any  
13 time.

14 Sec. 42.30.350. FALSELY REPRESENTING TO BE AN OFFICIAL STATION.  
15 (a) A person may not represent a place as an official inspection  
16 station unless the station is operating under a valid permit issued by  
17 the department under AS 42.30.320.

18 (b) A person may not issue a certificate of inspection unless  
19 holding a valid permit under AS 42.30.320.

20 Sec. 42.30.360. COUNTERFEIT CERTIFICATES OF INSPECTION. (a) A  
21 person may not make, issue, or knowingly use an imitation or counter-  
22 feit of an official certificate of inspection.

23 (b) A person may not knowingly display or issue a certificate  
24 of inspection on a motor vehicle unless the motor vehicle has met the  
25 requirements of AS 42.30.340.

26 Sec. 42.30.370. VIOLATION A MISDEMEANOR. A person who violates  
27 a provision of AS 42.30.300 - 42.30.360 is guilty of a class B misde-  
28 meanor.

29 Sec. 42.30.380. DEFINITIONS. In AS 42.30.200 - 42.30.380,

1 (1) "air carrier" means a person undertaking to engage in  
2 air commerce, whether directly or indirectly, or by lease, contract,  
3 or any other arrangement, and whether over regular or irregular  
4 routes;

5 (2) "air commerce" means carriage by aircraft of persons or  
6 freight, for compensation or hire, in intrastate commerce, including  
7 the carriage by aircraft of persons or freight that move partly by  
8 aircraft and partly by other forms of transportation;

9 (3) "aircraft" means a device used or designed for flight  
10 in the air;

11 (4) "commercial purposes" means something for which the  
12 person receives direct monetary compensation;

13 (5) "department" means the Department of Commerce and  
14 Economic Development;

15 (6) "freight" means all commodities, articles, and cargo,  
16 of whatever nature or value, excluding garbage and trash;

17 (7) "motor vehicle" means

18 (A) a truck of more than 10,000 pounds unladen gross  
19 vehicle weight used upon a public highway of this state; and

20 (B) a trailer registered in this state of more than  
21 5,000 pounds unladen gross vehicle weight and used upon a public  
22 highway of this state.

23 \* Sec. 4. Notwithstanding AS 42.30.200(a)(3) enacted by sec. 1 of this  
24 Act, until July 1, 1985, a person to whom AS 42.30.200 applies need only  
25 maintain security in the amount of \$100,000 a seat for bodily injury or  
26 death in a single occurrence if a person operates an aircraft.

27 \* Sec. 5. AS 44.33.020 is amended by adding a new paragraph to read:

28 (27) implement the financial responsibility requirements for  
29 motor vehicles and air carriers under AS 42.30.200 - 43.30.225.

1     \* Sec. 6. This Act takes effect immediately in accordance with AS 01.-  
2 10.070(c).

Introduced: 1/25/85  
Referred: State Affairs, Transportation  
and Finance

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

1 IN THE SENATE

2

SENATE BILL NO. 103

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act providing authority for the Department of  
Public Safety to regulate safety of motor carrier and  
air carrier operations; and providing for an effective date."

7

8

9

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

11 \* Section 1. AS 42.30 is amended by adding new sections to article 5 to  
12 read:

13

Sec. 42.30.195. COMPLIANCE ENJOINED. A person may not operate  
14 as a motor carrier on a public highway of this state, or engage in air  
15 commerce to or from any point in this state, except in accordance with  
16 AS 42.30.195 -- 42.30.270.

17

Sec. 42.30.197. EXEMPT MOTOR VEHICLES. (a) AS 42.30.195 --  
18 42.30.220 and AS 42.30.230 -- 42.30.270 apply to all motor vehicles of  
19 a motor carrier unless specifically exempted by this section. Unless  
20 specifically provided otherwise, AS 42.30.195 -- 42.30.220 and AS 42.-  
21 30.230 -- 42.30.270 do not apply to

22

(1) a motor vehicle operated exclusively in the transporta-  
23 tion of United States mail or in the transportation of newspapers or  
24 periodicals alone or in conjunction with an express service delivering  
25 packages not to exceed 100 pounds to any one receiver;

26

(2) a motor vehicle owned and operated by the United  
27 States, the state, or a borough, city, or unified municipality in the  
28 state, or by an agency of any of them, except when the vehicle is used  
29 to transport property of the general public for compensation in

1 competition with other carriers subject to this chapter, and to the  
2 extent that regulation of vehicles operated by the United States is  
3 permitted by the laws of the United States;

4 (3) a motor vehicle that is a "farm vehicle," as defined by  
5 the department by regulation; that does not exceed an unladen total  
6 gross weight of 16,000 pounds; that is owned by a person whose primary  
7 source of livelihood is derived from the operation of a ranch, farm,  
8 or dairy; and that is used exclusively to transport that person's own  
9 ranch, farm, or dairy products to and from the market or to transport  
10 supplies, commodities, or equipment to be used on the person's ranch,  
11 farm, or dairy;

12 (4) a motor vehicle weighing 5,000 pounds or less, unladen  
13 gross weight;

14 (5) a motor vehicle operated exclusively for the transpor-  
15 tation of persons, which has a seating capacity of less than 16 pas-  
16 sengers; and

17 (6) a motor vehicle operated exclusively for the transpor-  
18 tation of student: and teachers to or from school, which is subject to  
19 regulation under AS 14.09.

20 (b) A vehicle weighing 5,000 pounds to 12,000 pounds, unladen  
21 gross weight, is exempt from the requirements of AS 42.30.230.

22 \* Sec. 2. AS 42.30.200 is amended to read:

23 Sec. 42.30.200. FINANCIAL RESPONSIBILITY. (a) A person operat-  
24 ing as a motor carrier, except with regard to a vehicle exempt under  
25 AS 42.30.197, or a person engaging in air commerce, [WHO CARRIES  
26 PASSENGERS OR FREIGHT FOR HIRE INTRASTATE] shall procure and maintain  
27 security in an amount determined by the Department of Public Safety as  
28 necessary for the reasonable protection of the public against damages  
29 or injury caused by the person.

1 (b) Evidence of security required under (a) of this section must  
2 [SHALL] be filed with the department and must be

3 (1) a policy or certificate of insurance issued by an insur-  
4 er acceptable to the department; or

5 (2) a bond of a surety company licensed to write surety  
6 bonds in the state; or

7 (3) evidence accepted by the department, showing ability to  
8 self-insure; or

9 (4) other security approved by the department.

10 (c) A policy of insurance, surety bond, or other form of securi-  
11 ty is not cancellable on less than 30 days' written notice to the  
12 department. This requirement must be clearly stated in the policy or  
13 endorsement. The 30-day notice period is measured from the date upon  
14 which the department receives notice.

15 (d) The department may authorize enforcement officers to enforce  
16 this section.

17 (e) The department shall adopt regulations relating to financial  
18 responsibility and enforcement of the financial responsibility re-  
19 quirements set out in this section.

20 \* Sec. 3. AS 42.30 is amended by adding new sections to read:

21 Sec. 42.30.205. BOND TO PROTECT SHIPPERS AND CONSIGNEES. The  
22 department may, under regulations it adopts, require a motor or air  
23 carrier to file a surety bond, or deposit security or a bond, in an  
24 amount fixed by the department. The bond or security must be condi-  
25 tioned upon the carrier paying to shippers and consignees money be-  
26 longing to shippers and consignees, respectively, and coming into the  
27 possession of the carrier in connection with its transportation ser-  
28 vice. A carrier required by law to compensate a shipper or consignee  
29 for loss, damage, or default for which a connecting carrier is legally

1 responsible is subrogated to the rights of the shipper or consignee  
2 under the bond or deposit of security to the extent of the sum paid.

3 Sec. 42.30.210. IDENTIFICATION OF MOTOR VEHICLES. Each motor  
4 carrier that is required to register under AS 42.30.315 shall place  
5 sufficient identification, as determined by the department, on each  
6 motor vehicle operated by that carrier that is not exempt under  
7 AS 42.30.197. The required identification must be sufficient to allow  
8 immediate determination of the carrier's name, address, and registra-  
9 tion number. The department shall adopt regulations necessary to  
10 implement this section.

11 Sec. 42.30.215. REGISTRATION OF INTRASTATE MOTOR CARRIERS. (a)  
12 A person may not operate as an intrastate motor carrier, except with  
13 regard to a vehicle exempt under AS 42.30.197, without obtaining  
14 registration as a motor carrier from the department. Registration is  
15 conditioned upon compliance with all other applicable provisions of  
16 AS 42.30.195 -- 42.30.270, payment of applicable fees, and the filing  
17 of an application accompanied by the following:

18 (1) proof of financial responsibility required under  
19 AS 42.30.200;

20 (2) proof of bonding if required by regulations adopted  
21 under AS 42.30.205;

22 (3) proof of a satisfactory safety inspection within the  
23 preceding six months, by the department or its authorized representa-  
24 tive, under AS 42.30.230 for all motor vehicles operated by the carri-  
25 er, or, if the safety inspection for a vehicle within the preceding  
26 six months was unsatisfactory, proof of repair or correction of the  
27 vehicle's deficiency.

28 (b) An application for registration must be made in writing on a  
29 form prescribed by the department, and must state the ownership,

1 control, affiliation with any other carrier, equipment to be used, and  
2 other information the department requires.

3 (c) Registration under (a) of this section must be renewed  
4 annually by paying the applicable renewal fee and filing a renewal  
5 application, accompanied by the documentation of financial responsi-  
6 bility, bonding, and safety compliance specified in (a)(i) -- (3) of  
7 this section.

8 (d) A motor carrier, otherwise required to register under (a) of  
9 this section, who is engaged in the transportation of property or  
10 passengers by motor vehicle in intrastate commerce and who, before  
11 February 28, 1985, obtained a permit to operate from the Alaska Trans-  
12 portation Commission, is not required to file another application for  
13 registration as prescribed in (a) of this section. Such a carrier is  
14 required to file an application for renewal as prescribed in (c) of  
15 this section no later than February 28, 1986; however, the renewal  
16 application may not be granted until the applicant has complied with  
17 all other applicable provisions of AS 42.30.195 -- 42.30.270.

18 Sec. 42.30.220. REGISTRATION OF MOTOR CARRIER'S INTERSTATE OPER-  
19 ATING AUTHORITY. (a) A motor carrier may not operate as a motor  
20 carrier in interstate or foreign commerce in the state without regis-  
21 tering the operation with the department. Registration must be gran-  
22 ted upon the filing of an application, the payment of applicable fees,  
23 and upon compliance with the bonding requirement of AS 42.30.205, if  
24 applicable, and with safety regulations adopted under AS 42.30.230(a).  
25 An application for registration must be accompanied by either

26 (1) a copy of the operating authority pertaining to service  
27 from, to, or within this state issued by the Interstate Commerce Com-  
28 mission under 49 U.S.C. sec. 10921 (Interstate Commerce Act); or

29 (2) an affidavit of the motor carrier's exempt status,

1 including a description of the operations to be conducted, if the  
2 operation does not require authority from the Interstate Commerce  
3 Commission under 49 U.S.C. sec. 10921 (Interstate Commerce Act).

4 (b) Registration under (a) of this section, must be renewed  
5 annually by filing a renewal application and paying the renewal fee.  
6 Renewal is conditioned upon continued compliance with the bonding  
7 requirement of AS 42.30.205, if applicable, and safety regulations  
8 adopted under AS 42.30.230(a).

9 (c) A motor carrier operating as a motor carrier in interstate  
10 or foreign commerce in the state, who, before February 28, 1985, reg-  
11 istered its authority from the Interstate Commerce Commission with the  
12 Alaska Transportation Commission, is not required to file another  
13 initial application as prescribed in (a) of this section. Such a  
14 carrier is required to file an application for renewal as prescribed  
15 in (b) of this section; however, the renewal application may not be  
16 granted until the applicant has complied with the bonding requirement  
17 of AS 42.30.205, if applicable, and safety regulations adopted under  
18 AS 42.30.230(a).

19 Sec. 42.30.225. REGISTRATION OF AIR CARRIERS. (a) A person may  
20 not engage in air commerce without obtaining registration as an air  
21 carrier from the department. Registration is conditioned upon compli-  
22 ance with all other applicable provisions of AS 42.30.195 -- 42.30.-  
23 270, payment of the applicable fees, and filing of an application  
24 accompanied by the following:

25 (1) proof of financial responsibility required under  
26 AS 42.30.200;

27 (2) proof of bonding if required by regulations adopted  
28 under AS 42.30.205;

29 (3) evidence, satisfactory to the department, showing that

1 the applicant can and will comply with the provisions of the laws of  
2 the United States and the state, and the regulations and orders re-  
3 garding safety of operation.

4 (b) Applications for registration must be made in writing on a  
5 form prescribed by the department, and must state the ownership, con-  
6 trol, affiliation with any other carrier, equipment to be used, and  
7 other information the department requires.

8 (c) Registration under (a) of this section must be renewed  
9 annually by paying the applicable renewal fee and filing a renewal  
10 application, accompanied by the documentation of financial responsi-  
11 bility, bonding, and safety compliance specified in (a)(1) -- (3) of  
12 this section.

13 (d) Except as provided in (e) of this section, each aircraft  
14 owned or leased by a person subject to the provisions of this section  
15 must be registered with the department before the aircraft is used in  
16 air commerce. A certificate of registration must be issued by the  
17 department for each aircraft. These certificates are valid for a  
18 period of 12 months following the date of registration, and must be  
19 renewed at the expiration of each 12-month period. The department  
20 shall establish fees for registration of aircraft.

21 (e) Federally certificated interstate carriers that provide  
22 intrastate service between points in the state on their interstate or  
23 foreign routes and who use, for that intrastate service, aircraft  
24 based primarily outside the state, shall register with the department  
25 the aircraft used in intrastate service in the state. Registration  
26 fees must be paid on the basis of the maximum number of aircraft used  
27 in the intrastate service during any 24-hour period during the year,  
28 as provided in regulations adopted by the department.

29 (f) Failure, by a person holding carrier registration under (a)

1 of this section, to register an aircraft before its use in air com-  
2 merce may be cause for suspension or revocation of carrier registra-  
3 tion in accordance with AS 42.30.240.

4 (g) An air carrier, operating as an air carrier, who, before  
5 February 28, 1985, obtained a certificate to operate from the Alaska  
6 Transportation Commission, is not required to file another application  
7 for registration as prescribed in (a) of this section. Such a carrier  
8 is required to file an application for renewal as prescribed in (c) of  
9 this section no later than February 28, 1986; however, the renewal  
10 application may not be granted until the applicant has complied with  
11 all other applicable provisions of AS 42.30.195 -- 42.30.270.

12 Sec. 42.30.230. MOTOR VEHICLE SAFETY. (a) The department shall  
13 adopt regulations governing the safety of operation of motor vehicles  
14 that are subject to AS 42.30.195 -- 42.30.270, and providing for  
15 enforcement of those safety requirements.

16 (b) An intrastate motor carrier shall have all of its motor  
17 vehicles that are not exempted under AS 42.30.197 inspected for com-  
18 pliance with safety regulations by the department or an authorized  
19 representative of the department at least once every six months.

20 Sec. 42.30.235. ADOPTION OF REGULATIONS. The department may  
21 adopt regulations to carry out the purposes of AS 42.30.195 -- 42.30.-  
22 270 which apply to motor carriers, and to persons engaged in air  
23 commerce, including but not limited to regulations for safety of  
24 operations, financial responsibility, bonding, registration, fees,  
25 identification of motor vehicles, and enforcement. The department  
26 shall adopt these regulations under the Administrative Procedure Act  
27 (AS 44.62).

28 Sec. 42.30.240. SUSPENSION OR REVOCATION OF CARRIER REGISTRA-  
29 TION. (a) The department may suspend the registration of a motor

1 carrier or air carrier, without prior notice or hearing, upon failure  
2 of the carrier to comply with AS 42.30.200, 42.30.205, or 42.30.225(e)  
3 or (f). The suspension without a hearing is effective for 10 days.  
4 The department shall provide the carrier whose registration is sus-  
5 pended a hearing within 10 days. If the carrier so requests, the  
6 hearing must be in the judicial district in which the carrier's prin-  
7 cipal place of business in the state is located. If a hearing has  
8 been provided by the department, the suspension may be extended for up  
9 to 10 additional days in order that the hearing officer may decide the  
10 matter.

11 (b) Upon complaint, or upon its own initiative, the department,  
12 after notice and opportunity for hearing, and for good cause shown,  
13 may revoke the registration of a motor carrier or air carrier. Good  
14 cause for suspension or revocation of carrier registration includes  
15 the following reasons:

16 (1) failure to submit evidence of financial responsibility  
17 required by AS 42.30.200;

18 (2) failure to submit evidence of bonding if required by  
19 regulations adopted under AS 42.30.205;

20 (3) failure to register aircraft used in air commerce as  
21 required by AS 42.30.225(e) and (f);

22 (4) intentional misrepresentation of a material fact in  
23 obtaining registration;

24 (5) intentional failure to comply with a provision of  
25 AS 42.30.195 -- 42.30.270 or a regulation adopted under AS 42.30.235;

26 (6) failure to pay applicable fees.

27 (c) A carrier whose registration has been suspended for failure  
28 to show financial responsibility or bonding may, at any time before  
29 revocation, have the carrier registration reinstated upon proof of

1 compliance with AS 42.30.200 and 42.30.205. An air carrier whose  
2 carrier registration has been suspended for failure to register air-  
3 craft may, at any time before revocation, have the registration rein-  
4 stated by complying with AS 42.30.225(e) and (f). In order to become  
5 a registered carrier after registration has been revoked for any  
6 reason, the carrier must pay applicable carrier registration fees and  
7 submit a new application accompanied by the documentation required by  
8 applicable provisions of AS 42.30.215, 42.30.220, and 42.30.225.

9 (d) A carrier whose registration has been revoked may appeal the  
10 department hearing officer's decision to the superior court.

11 Sec. 42.30.245. ENFORCEMENT AUTHORITY; JUDICIAL ENFORCEMENT;  
12 SEIZURE AND FORFEITURE. (a) Enforcement officers authorized by the  
13 department and persons authorized and designated by the department to  
14 perform inspections under AS 42.30.230 have the authority set out in  
15 this section to enforce regulations of the department and to enforce  
16 the statutes that the department administers. The department may  
17 authorize these designated representatives to

18 (1) require the operator of a motor vehicle or aircraft  
19 that might be subject to the authority of the department under AS 42.-  
20 30.195 -- 42.30.270 to present documents of vehicle registration or  
21 ownership, or other documents required by regulation to be in the  
22 possession of the operator;

23 (2) stop a motor vehicle that might be subject to the au-  
24 thority of the department under AS 42.30.195 -- 42.30.270 and request  
25 the right to inspect cargo in the vehicle to determine whether the  
26 operation of the vehicle violates a regulation of the department or a  
27 statute which the department administers; if the operator of that  
28 vehicle refuses to permit inspection of the vehicle or its cargo, the  
29 authorized department representative may, by placing a seal on or

1 around the cargo, prohibit the discharge of the cargo except at a  
2 point of destination and in the presence of an authorized representa-  
3 tive of the department;

4 (3) detain or remove from service a motor vehicle that  
5 might be subject to the authority of the department under AS 42.30.-  
6 195 -- 42.30.270 when it reasonably appears to an authorized represen-  
7 tative of the department that the continued operation of the vehicle  
8 would jeopardize the public safety; if an authorized department rep-  
9 resentative discovers a safety violation that in the representative's  
10 opinion will not cause an accident or breakdown, the representative  
11 may order the vehicle to proceed to a designated repair area where the  
12 violation must be corrected before the vehicle departs the area;

13 (4) issue a citation for a violation of a regulation or  
14 statute administered by the department; and

15 (5) apply to a court for an appropriate order or fine.

16 (b) The department may apply to the superior court for the  
17 enforcement of a statute or regulation, or decision of the department  
18 to suspend or revoke the registration of a motor carrier or air carri-  
19 er under AS 42.30.240. The court may enforce obedience by any pro-  
20 cess, including the restraint of the person and the person's officers,  
21 agents, employees and representatives, from further violation.

22 (c) A motor vehicle or aircraft, used by a motor carrier or air  
23 carrier without obtaining valid registration under the applicable pro-  
24 visions of AS 42.30.215, 42.30.220, and 42.30.225, or used after  
25 registration has been revoked under AS 42.30.240(b), may be seized by  
26 the department. Upon conviction of the offender or by other judgment  
27 of the court, a motor vehicle or aircraft used in violation of these  
28 registration requirements is forfeited to the state and must be dis-  
29 posed of as directed by the court. If sold, the proceeds of the must

1 be transmitted to the proper state officer for deposit in the general  
2 fund of the state treasury. Motor vehicles or aircraft seized, unless  
3 forfeited by order of the court, must be returned after the final  
4 court decision and payment of any criminal fines and civil penalties.

5 Sec. 42.30.250. VIOLATION A MISDEMEANOR. A person who knowingly  
6 fails or refuses to comply with a provision of AS 42.30.195 -- 42.-  
7 30.270, a regulation or decision of the department, or a final order  
8 or decree of a court, or who knowingly procures, aids, or abets such a  
9 violation, is guilty of a misdemeanor, and, upon conviction, must be  
10 sentenced to pay the costs of prosecution and a fine of not more than  
11 \$500 for each offense.

12 Sec. 42.30.255. CIVIL PENALTIES FOR OPERATING WITHOUT REGISTRA-  
13 TION. A motor carrier or air carrier, whose registration is suspended  
14 under AS 42.30.240(a), and who operates a motor vehicle or aircraft  
15 without the insurance or bond required by AS 42.30.200 and 42.30.205,  
16 or a motor carrier or air carrier that operates a motor vehicle or  
17 aircraft without obtaining valid carrier registration under AS 42.-  
18 30.215, 42.30.220 or 42.30.225 or operates while carrier registration  
19 is revoked under AS 42.30.240(b), is subject to a civil penalty of not  
20 more than \$1,000 or an amount equal to revenue the carrier earned as a  
21 result of the illegal operation, whichever is greater. This civil  
22 penalty is in addition to any other civil or criminal penalties and  
23 remedies provided by law, and may only be levied by a court of compe-  
24 tent jurisdiction.

25 Sec. 42.30.260. EACH VIOLATION A SEPARATE OFFENSE. Each viola-  
26 tion, by a motor carrier, air carrier, or other person, of the pro-  
27 visions of AS 42.30.195 -- 42.30.270, or of a decision or regulation  
28 of the department, is a separate offense. In case of a continuing  
29 violation, each day's continuance is a separate offense.

1           Sec. 42.30.265. PENALTIES CUMULATIVE; RECOVERY. (a) All penal-  
2           ties incurred under AS 42.30.195 -- 42.30.270 are cumulative; an  
3           action for the recovery of one penalty is not a bar to and does not  
4           affect the recovery of any other penalty, and is not a bar to a crim-  
5           inal prosecution and imposition of a fine against a motor carrier, air  
6           carrier, or an officer, director, agent, or employee of a motor carri-  
7           er or air carrier, or any other person.

8           (b) Neither a criminal prosecution nor an action to recover a  
9           penalty is a bar to an enforcement proceeding to require compliance,  
10          nor to any other remedy provided by AS 42.30.195 -- 42.30.270.

11          (c) An action to recover a penalty or impose a fine under  
12          AS 42.30.195 -- 42.30.270 must be brought by the attorney general in a  
13          court of competent jurisdiction. All fines imposed and all penalties  
14          recovered under this chapter must be paid to the court and deposited  
15          by it in the general fund of the state.

16          Sec. 42.30.270. DEFINITIONS. For the purposes of AS 42.30.-  
17          195 -- 42.30.270,

18               (1) "air carrier" means a person undertaking to engage in  
19               air commerce, whether directly or indirectly, or by lease, contract,  
20               or any other arrangement, and whether over regular or irregular  
21               routes:

22               (2) "air commerce" means carriage by aircraft of persons or  
23               property, for compensation or hire, in intrastate commerce, including  
24               the carriage by aircraft of persons or property which move partly by  
25               aircraft and partly by other forms of transportation;

26               (3) "aircraft" means a device used or designed for flight  
27               in the air;

28               (4) "department" means the Department of Public Safety;

29               (5) "motor carrier" includes

1 (A) a person who undertakes to transport property or  
2 persons for the general public by motor vehicle, for compensa-  
3 tion, including motor vehicle operations of other carriers by  
4 rail or water and of express or forwarding companies;

5 (B) a person who leases, rents, or provides a motor  
6 vehicle for the use of another in transporting property or per-  
7 sons, and who provides, procures, or arranges for, directly or  
8 indirectly, a driver or operator for the motor vehicle; or who  
9 provides the necessary authority for the use of the vehicle on a  
10 public highway, except when the motor vehicle is leased to anoth-  
11 er carrier;

12 (C) a person engaged in the business of providing,  
13 contracting for, or undertaking to provide, transportation of  
14 property, for compensation, over the public highways as a broker  
15 or forwarder;

16 (D) a person who transports by motor vehicle, with or  
17 without compensation, property that is owned or is being bought  
18 or sold by that person, or property of which that person is the  
19 seller, purchaser, lessee, or bailee, and the transportation is  
20 incidental to and in furtherance of some other primary business  
21 conducted by the person in good faith;

22 (E) except when the motor vehicle is leased to another  
23 carrier, a person who rents, leases, or otherwise provides a  
24 motor vehicle for the use of others in transporting passengers or  
25 property, but who does not provide, procure, or arrange for,  
26 directly or indirectly, an operator for the vehicle;

27 (F) a person who, under special and individual con-  
28 tracts or agreements, transports property by motor vehicle, for  
29 compensation;

1           (6) "motor vehicle" means a truck, tractor, wrecker, tow  
2 car, bus, van, hearse, ambulance, or other self-propelled or motor-  
3 driven vehicle used upon any public highway of this state for the  
4 purpose of transporting property or persons, which is not exempted  
5 under AS 42.30.197;

6           (7) "property" means all commodities, articles, and cargo,  
7 of whatever nature or value, excluding garbage, refuse, trash, or  
8 other waste material;

9           (8) "public highway" means every street, road, or highway  
10 in this state.

11           (9) "seating capacity" includes a space capable of accommo-  
12 dating an average-sized adult, if the overall seat configuration and  
13 design, and vehicle design, are such that the position is likely to be  
14 used as a seating position while the vehicle is in motion, but does  
15 not include auxiliary seating accommodations such as temporary or  
16 folding jump seats;

17           (10) "vehicle" includes every device capable of being moved  
18 upon a public highway and in, upon, or by which a person or property  
19 is or may be transported or drawn upon a public highway; the term does  
20 not include a device moved by human or animal power or used exclusive-  
21 ly upon stationary rails or tracks.

22 \* Sec. 4. This Act takes effect immediately in accordance with AS 01.-  
23 10.070(c).