

S B

I I H

COMMITTEE REPORT
SENATE

FURTHER: TRANSPORTATION
 FINANCE

1/30/85

Date March 5, 1985

Mr. President

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

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

- do pass
- do pass with attached amendment(s)
- replace with/or adopt CS for _____
- 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

Ed De Vries
Tom Kelly
Bice Ray

MEMBERS HAVING
OTHER RECOMMENDATIONS

[Signature]
Chairman

[Signature]
Chairman recommendation

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No. SB110
 Title: An Act relating to the registration of heavy vehicles
 Sponsor: _____
 Requestor: _____
 Date of Request: _____

FISCAL DETAIL

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

EXPENDITURES/REVENUES: (Thousands of Dollars)

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

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

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

FUNDING: (Thousands of Dollars)

GENERAL FUND		16.2	14.8	15.7	16.6	17.6
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

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

ANALYSIS: Attach a separate page if necessary

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

Prepared By: Charles R. Hosack Phone: 269-5561
 Division: Motor Vehicles Date: 10-15-84

Approved by Commissioner: [Signature] Date: 12/16/84
 Agency: Public Safety

Distribution (by Agency preparing fiscal note):

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

7/1/84

HEAVY VEHICLE USE TAX

ANALYSIS (Continued)

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

Cost detail for the program is as follows:

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

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

TITLE OF INCREMENT/DECREMENT: FN - Heavy Vehicle Registration	AGENCY CONTACT/PHONE NUMBER: John H. Lucking/269-5551	<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th>CODE</th> <th>EXPENDITURE BY OBJECT</th> <th>AGENCY REQ.</th> <th>GOV'S REQ.</th> </tr> </thead> <tbody> <tr><td>100</td><td>Personal Services</td><td>8.8</td><td></td></tr> <tr><td>200</td><td>Travel</td><td></td><td></td></tr> <tr><td>300</td><td>Contractual Services</td><td>7.4</td><td></td></tr> <tr><td>400</td><td>Supplies</td><td></td><td></td></tr> <tr><td>500</td><td>Equipment</td><td></td><td></td></tr> <tr><td>600</td><td>Lands, Buildings, Etc.</td><td></td><td></td></tr> <tr><td>700</td><td>Grants, Claims, Etc.</td><td></td><td></td></tr> <tr><td>800</td><td>Miscellaneous</td><td></td><td></td></tr> <tr><td colspan="2" style="text-align: center;">TOTAL</td><td>16.2</td><td></td></tr> <tr><td colspan="4" style="text-align: center;">I-A Transfer (NON-ADD)</td></tr> <tr><td>1002</td><td>Federal Receipts</td><td></td><td></td></tr> <tr><td>1003</td><td>General Fund Match</td><td></td><td></td></tr> <tr><td>1004</td><td>General Fund</td><td>16.2</td><td></td></tr> <tr><td>1005</td><td>I-A Receipts</td><td></td><td></td></tr> <tr><td>1028</td><td>Program Receipts</td><td></td><td></td></tr> <tr><td></td><td>Other</td><td></td><td></td></tr> <tr> <td rowspan="4" style="vertical-align: middle;">POSITION INFORMATION</td> <td>PFT</td> <td></td> <td></td> </tr> <tr> <td>PRK Seasonal</td> <td>1.0</td> <td></td> </tr> <tr> <td>Non Permanent</td> <td></td> <td></td> </tr> <tr> <td>Staff Months</td> <td>4.0</td> <td></td> </tr> </tbody> </table>	CODE	EXPENDITURE BY OBJECT	AGENCY REQ.	GOV'S REQ.	100	Personal Services	8.8		200	Travel			300	Contractual Services	7.4		400	Supplies			500	Equipment			600	Lands, Buildings, Etc.			700	Grants, Claims, Etc.			800	Miscellaneous			TOTAL		16.2		I-A Transfer (NON-ADD)				1002	Federal Receipts			1003	General Fund Match			1004	General Fund	16.2		1005	I-A Receipts			1028	Program Receipts				Other			POSITION INFORMATION	PFT			PRK Seasonal	1.0		Non Permanent			Staff Months	4.0	
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DESCRIBE WHY THIS INCREMENT/DECREMENT IS NEEDED AND WHAT IT PURCHASES: Proposed legislation would amend AS 28.10.021 dealing with vehicle registration to ensure that the vehicle owner has complied with federal regulations requiring that a heavy vehicle use tax be paid if applicable prior to State registration. Notification to vehicle owners and collection of the proper forms would require a special mailing and individual handling. Most of the affected vehicles are commercial vehicles registered during December, so one seasonal position working four months (October-January) would be able to accomplish most of the additional workload involved in administering the change in Statute. Costs are projected as follows:																																																																																			
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<div style="border: 1px solid black; padding: 5px;"> C5 INCREMENT/DECREMENT REQUEST Agency Priority <u>34</u> of <u>35</u> </div>	<table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:30%;">AGENCY</td> <td><u>Department of Public Safety</u></td> </tr> <tr> <td>PROGRAM</td> <td><u>Life & Property Protection</u></td> </tr> <tr> <td>BRU</td> <td><u>Division of Motor Vehicles</u></td> </tr> <tr> <td>COMPONENT</td> <td><u>Vehicle Services</u></td> </tr> <tr> <td>PROJECT</td> <td>_____</td> </tr> </table>	AGENCY	<u>Department of Public Safety</u>	PROGRAM	<u>Life & Property Protection</u>	BRU	<u>Division of Motor Vehicles</u>	COMPONENT	<u>Vehicle Services</u>	PROJECT	_____
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BRU	<u>Division of Motor Vehicles</u>										
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PROJECT	_____										

FY 86

PAGE _____ OF _____
 REVISED DATE _____



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

January 30, 1985

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

Dear Senator Bennett:

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

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

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

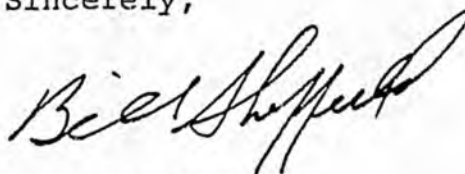
At line 15, the bill also makes an incidental amendment (deletion of "and bus transportation") to recognize the 1980 repeal of AS 42.15, the chapter on bus transportation to which this provision refers.

SB 114

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

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

Sincerely,

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


Bill Sheffield
Governor



Dept. of Transportation & Public Facilities

Position Paper

BILL NO: Senate Bill 114

APPROVED: 
R. J. Knapp
Commissioner

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

DATE: March 1, 1985

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

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

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

2. Power of states

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

§ 141. Enforcement of requirements

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

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

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

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

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

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

(Added Pub.L. 93-643, § 107(a), Jan. 4, 1975, 88 Stat. 2284, and amended Pub.L. 95-599, Title I, § 123(d), Nov. 6, 1978, 92 Stat. 2702; Pub.L. 97-424, Title I, § 143, Jan. 6, 1983, 96 Stat. 2129.)

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

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

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

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

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

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

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

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

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

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

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

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

§ 142. Public transportation

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

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

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

(c) Whenever responsible local officials of an urbanized area notify the State highway department that, in lieu of a highway project the Federal share of which is to be paid from funds apportioned under section 104(b) (6) of this title for the fiscal years ending June 30, 1974, and June 30, 1975, their needs require a nonhighway public mass transit project involving the construction of fixed rail facilities, or the purchase of passenger equipment, including rolling stock for any mode of mass transit, or both, and the State highway department determines that such public mass transit project is in accordance with the planning process under section 133 of this title and is entitled to priority under such planning process, such public mass transit project shall be submitted for approval to the Secretary. Approval of the plans, specifications, and estimates for such project by the Secretary shall be deemed a

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

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

Code of Federal Regulations

Size and weight, see 23 CFR 657.1.

Speed limits, see 23 CFR 659.1.