

SB

127

5 (Rules)
F

FISCAL NOTE

REQUEST:

Revision Date: 1-26-88
Title: An Act relating to motor vehicle insurance.
Sponsor: Josephson
Requestor: Senate Rules
Agency Affected: Public Safety
BRU: Motor Vehicles
Components: Driver Services

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES		168.2	173.2	178.4	183.8	94.7
TRAVEL						
CONTRACTUAL		10.2	10.5	10.8	11.1	5.7
SUPPLIES		2.0	2.1	2.2	2.2	1.1
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	180.4	185.8	191.4	197.1	101.5

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	180.4	185.8	191.4	197.1	101.5
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	180.4	185.8	191.4	197.1	101.5

POSITIONS:

FULL-TIME		5	5	5	5	5
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Due to FY87 and FY88 operating budget decrements, the positions that administered the mandatory insurance law were not funded in FY88. This fiscal note reflects what the cost would be if the department were to totally administer the program until the law is repealed 1-1-92, as amended in this bill.

Prepared by: Bill Brown Phone: 465-4335
Division: Motor Vehicles Date: 1-26-88

Approved by Commissioner: David A. Hovland, Dep. Comm. Date: 1-28-88
Agency: Public Safety

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

JAN 20 1988

LEGISLATIVE FINANCE

58/127

1126/88

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill Resolution No. CSSB 127 (SA)

PERSONAL SERVICES

DMV originally received 9 positions to administer the mandatory insurance law. Due to a lower than expected number of requests for administrative hearings, and a drop in the number of DWI administrative revocation hearings, two positions (PCN 12-5224 and PCN 12-5227) which were vacated in 1986, are no longer required, thus not included in this fiscal note. Also because of the reduction in number of hearings another hearing officer position is being left vacant to fund two clerical positions which are currently being used to partially administer the mandatory insurance law. The five positions being requested are required to totally administer the mandatory insurance law as written. These positions, along with others, were deleted from the operating budget for FY87 and FY88 decrements. The five positions for which funding is being requested to totally administer the mandatory insurance law are as follows:

1 Records & Licensing Supervisor Juneau, 16L	55.4	
4 Doc. Proc. Clk II, Juneau, 8B	<u>112.8</u>	
	<u>168.2</u>	168.2

CONTRACTUAL

Postage	7.5	
Telephone tolls	.5	
Maintenance of office machines	1.0	
Printing of forms	<u>1.2</u>	
	<u>10.2</u>	10.2

SUPPLIES

Office and microfilm supplies	2.0	<u>2.0</u>
	TOTAL	180.4

A 3% inflation factor was used for FY90 and subsequent years.

SENATE COMMITTEE REPORT

FURTHER:

4/9/87

DATE TURNED INTO OFFICE 5/8/87

Mr. President:

FINANCE Committee considered SB 127

motor vehicle insurance.

and recommended:

replace with CS FOR _____) same title
 or adopt _____ CS FOR SB 127(SA)) new title

attached amendment(s) and

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

letter of intent adopted _____

Committee attached or adopted fiscal note(s)

new updated or previous
 zero fiscal impact 260.4

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

[Signature]
[Signature]
[Signature]
[Signature]

[Signature]

[Signature] No Rez.
Chairman signature and recommendation

Committee Backup Attached

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

REQUEST: _____

Bill Version: CSSB 127(SA)
Publish Date: _____

Revision Date: _____
Title: An Act relating to motor vehicle insurance.

Agency Affected: Public Safety
BRU: Motor Vehicles

Sponsor: Josephson
Requestor: Senate Finance

Components: Driver Services

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES		231.2	238.1	245.2	252.6	130.1
TRAVEL						
CONTRACTUAL SUPPLIES		25.2	26.8	27.6	28.4	14.7
EQUIPMENT		4.0	4.1	4.2	4.3	2.2
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		260.4	269.0	277.0	285.3	147.0

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

FUNDING: (Thousands of Dollars)

GENERAL FUND		260.4	269.0	277.0	285.3	147.0
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME		7	7	7	7	7
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Due to FY87 and FY88 operating budget decrements, the positions that administer the mandatory insurance law have not been funded in FY88. This fiscal note reflects what the cost would be if the department were to continue to administer the program until the law is repealed 1-1-92, as amended in this bill.

Prepared by: Bill Brown Phone: 465-4335
Division: Motor Vehicles Date: 4-13-87

Approved by Commissioner: [Signature] Date: 4/13/87
Agency: Public Safety

- Distribution (by preparer):
- Legislative Finance
 - Legislative Sponsor
 - Requestor
 - Office of Management and Budget
 - Impacted Agency(ies)
 - Senate Secretary

RECEIVED
APR 14 1987

J.M.
4/13/87

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. CSSB 127(SA)

PERSONAL SERVICES

DMV originally received 9 positions to administer the mandatory insurance law. Due to a lower than expected number of requests for administrative hearings, and a drop in the number of DWI administrative revocation hearings, two positions (PCN 12-5224 and PCN 12-5227) which were vacated in 1986, are no longer required, thus not included in this fiscal note. The seven current positions for which funding is being requested to continue to administer the mandatory insurance law are as follows:

1 Records & Licensing Supervisor	55.4	
Juneau, 16L		
1 Clerk IV, Juneau, 9D	30.5	
1 Doc. Proc. Clk III, Juneau, 10B	31.4	
1 Clk Typ III, Juneau, 8C	29.3	
3 Doc. Proc. Clk II, Juneau, 8B	84.6	
	231.2	231.2

CONTRACTUAL

Postage	20.0	
Telephone tolls	.8	
Maintenance of office machines	2.0	
Printing of forms	2.4	
	25.2	25.2

SUPPLIES

Office and microfilm supplies	4.0	4.0
	TOTAL	260.4

A 3% inflation factor was used for FY89 and subsequent years.

Original sponsors: Josephson, Sturgulewski,
Kelly, et al.

1 IN THE SENATE BY THE STATE AFFAIRS COMMITTEE
2 CS FOR SENATE BILL NO. 127 (State Affairs)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to motor vehicle insurance."

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

8 * Section 1. AS 21.36 is amended by adding a new section to read:

9 Sec. 21.36.045. NOTICE OF MOTOR VEHICLE INSURANCE. (a) An
10 insurance policy that provides coverage only against property damage
11 to a motor vehicle and that does not provide liability coverage as
12 required under AS 28.22.010(d) must contain the following statement
13 printed in bold face type: "This policy provides insurance only
14 against damage to the motor vehicle. This policy does not insure
15 against bodily injury, death, or property damage liability and does
16 not satisfy the mandatory motor vehicle liability insurance require-
17 ments of AS 28.22.010."

18 (b) If the insured under (a) of this section is not the owner of
19 the motor vehicle, a copy of the policy shall be provided to the
20 owner.

21 * Sec. 2. AS 28.22.200 is amended by adding a new section to read:

22 (c) In this section, "operator" does not include an employee who
23 operates, during the course and within the scope of the employment, a
24 motor vehicle that is owned or leased by the operator's employer.

25 * Sec. 3. Section 17, ch. 70, SLA 1984, is amended to read:

26 Sec. 17. AS 21.36.045, AS 28.10.021(b), AS 28.15.061(e), 28.15.-
27 081(a)(6), and AS 28.22, and secs. 1 and 16 of this Act are repealed
28 January 1, 1992 [1989].

29 * Sec. 4. Section 23, ch. 70, SLA 1984, is amended to read:

1 Sec. 23. Sections 18, 19, and 20 of this Act take effect Janu-
2 ary 1, 1992 [1989].

1 IN THE SENATE BY JOSEPHSON, STURGULEWSKI, KELLY,
2 FAIKS, UEHLING, RODEY AND SZYMANSKI

3 SENATE BILL NO. 127

4 IN THE LEGISLATURE OF THE STATE OF ALASKA

5 FIFTEENTH LEGISLATURE - FIRST SESSION

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14 printed in bold face type: "This policy provides insurance only
15 against damage to the motor vehicle. This policy does not insure
16 against bodily injury or death and does not satisfy the mandatory
17 motor vehicle liability insurance requirements of AS 28.22.010."

18 (b) If the insured under (a) of this section is not the owner of
19 the motor vehicle, a copy of the policy shall be provided to the
20 owner.

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24 motor vehicle that is owned or leased by the operator's employer.

25 * Sec. 3. Section 17, ch. 70, SLA 1984, is amended to read:

26 Sec. 17. AS 28.10.021(b), AS 28.15.061(e), 28.15.081(a)(6), and
27 AS 28.22.1 and secs. 1 and 16 of this Act are repealed January 1, 1992
28 [1989].

29 * Sec. 4. Section 23, ch. 70, SLA 1984, is amended to read:

Sec. 23. Sections 18, 19, and 20 of this Act take effect

1 January 1, 1992 [1989].

STATE OF ALASKA 1987 LEGISLATIVE SESSION FISCAL NOTE

REQUEST: _____

Bill Version : SB 127

Publish Date : _____

Revision Date: 3-13-87
Title: An Act relating to motor vehicle insurance.

Agency Affected: Public Safety

BRU: Motor Vehicles

Sponsor: Josephson

Components: Driver Services

Requestor: Senate State Affairs

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES		231.2	238.1	245.2	252.6	130.1
TRAVEL						
CONTRACTUAL		25.2	26.8	27.6	28.4	14.7
SUPPLIES		4.0	4.1	4.2	4.3	2.2
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		260.4	269.0	277.0	285.3	147.0

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

FUNDING: (Thousands of Dollars)

GENERAL FUND		260.4	269.0	277.0	285.3	147.0
FEDERAL FUNDS						
OTHER						
TOTAL		260.4	269.0	277.0	285.3	147.0

POSITIONS:

FULL-TIME		7	7	7	7	7
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Due to FY87 and FY88 operating budget decrements, the positions that administer the mandatory insurance law have not been funded in FY88. This fiscal note reflects what the cost would be if the department were to continue to administer the program until the law is repealed 1-1-92, as amended in this

bill Prepared by: Bill Brown Phone: 465-4335

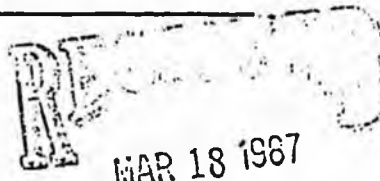
Division: Motor Vehicles Date: 3-13-87

Approved by Commissioner: [Signature] Date: 3/16/87

Agency: Public Safety

Distribution (by preparer):

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



LEGISLATIVE FINANCE

JMA
3/16/87

SB 127

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. SB 127

PERSONAL SERVICES

DMV originally received 9 positions to administer the mandatory insurance law. Due to a lower than expected number of requests for administrative hearings, and a drop in the number of DWI administrative revocation hearings, two positions (PCN 12-5224 and PCN 12-5227) which were vacated in 1988, are no longer required, thus not included in this fiscal note. The seven current positions for which funding is being requested to continue to administer the mandatory insurance law are as follows:

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1 Doc. Proc. Clk III, Juneau, 10B	31.4	
1 Clk Typ III, Juneau, 8C	29.3	
3 Doc. Proc. Clk II, Juneau, 8B	84.6	
	231.2	231.2

CONTRACTUAL

Postage	20.0	
Telephone tolls	.8	
Maintenance of office machines	2.0	
Printing of forms	2.4	
	25.2	25.2

SUPPLIES

Office and microfilm supplies	4.0	4.0
	TOTAL	260.4

A 3% inflation factor was used for FY89 and subsequent years.

**STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE**

REQUEST: _____

Bill Version: SB 127
Publish Date: _____

Revision Date: _____
Title: An Act relating to motor vehicle insurance.

Agency Affected: Public Safety
BRU: Motor Vehicles

Sponsor: Josephson
Requestor: Senate State Affairs

Components: Driver Services

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

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

FUNDING: (Thousands of Dollars)

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

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

No fiscal impact.

The positions that administer the mandatory insurance law have been deleted from the DMV budget. Thus, it is the department's current intent to discontinue administering this program as of July 1, 1987.

Prepared by: Bill Brown Phone: 465-4335
Division: Motor Vehicles Date: 2-19-87

Approved by Commissioner: [Signature] Date: 2/23/87
Agency: Public Safety

Distribution (by preparer):

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

JMR
2/20/87

SB 127

BILL NO: CSSB 127(SA)

DATE: April 14, 1987

TITLE: An Act relating to motor
vehicle insurance

CONTACT: Bill Brown
465-4335

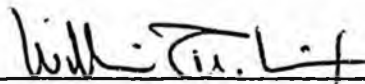
DEPARTMENT OF
PUBLIC SAFETY
/ **REGISTERED** /

Sections 1 and 2 of this bill amend areas of the mandatory insurance law that DMV has experienced problems with in administering the law.

Several drivers have purchased insurance, generally upon purchasing a new vehicle, and after an accident are informed the policy only covered damage to their vehicle to protect the lienholder, and did not include liability coverage required under the mandatory insurance law. Section 1 of this bill is to help alleviate that problem. The department supports this section.

Section 2 will exempt employees who are driving during the course and within the scope of their employment from the provisions of the mandatory insurance law. The department supports this intent, however, would recommend the amendment be in Section AS 28.22.240, and not as included in this bill. It is recommended the amendment read as follows: "(h) If the driver at the time of the accident was driving in the course and within the scope of employment a vehicle owned or leased by the driver's employer, the suspension provisions of this chapter apply to the employer, and do not apply to the driver." Section 2 as proposed in the bill exempts the employee, however, does not authorize action against the employer. The above recommended change will allow action against the uninsured employer.

The Department of Public Safety would support this bill if the mandatory insurance program is adequately funded, but not at the expense of our other programs. Due to FY87 and FY88 budget cuts, it is the current plans of the department to discontinue administration of the program effective July 1, 1987. The reason discontinuing this program was chosen over other programs within the Driver Services Component of the DMV budget is it would have less impact on highway safety than discontinuing other programs.


WILLIAM R. NIX
Acting Commissioner

BILL NO: SB 127

DATE: March 13, 1987

REVISED

TITLE: An Act relating to motor vehicle insurance

CONTACT: Bill Brown
465-4335

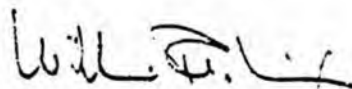
DEPARTMENT OF PUBLIC SAFETY

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Several drivers have purchased insurance, generally upon purchasing a new vehicle, and after an accident are informed the policy only covered damage to their vehicle to protect the lienholder, and did not include liability coverage required under the mandatory insurance law. Section 1 of this bill is to help alleviate that problem. The department supports this section.

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The Department of Public Safety would support this bill if the mandatory insurance program is adequately funded, but not at the expense of our other programs. Due to FY87 and FY88 budget cuts, it is the current plans of the department to discontinue administration of the program effective July 1, 1987. The reason discontinuing this program was chosen over other programs within the Driver Services Component of the DMV budget is it would have less impact on highway safety than discontinuing other programs.



WILLIAM R. NIX
Acting Commissioner

Back-up 5/11/87

SENATE COMMITTEE REPORT

FIRST COMMITTEE OF REFERRAL

Date of 3/4/87 5-DAY NOTICE
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER: Finance

**FISCAL NOTE(S) ATTACHED **
IN ACCORDANCE WITH AS 24.08.035
(see below)
2/13/87

DATE TURNED INTO OFFICE _____

Mr. President:

STATE AFFAIRS Committee considered SB 127

~~relating to~~ motor vehicle insurance.

and recommended:

- replace with CS SB 127 (STATE AFFAIRS) same title
- attached amendment(s) and new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- further referral to _____
- letter of intent adopted and attached

** Committee attached or adopted fiscal note(s)
 zero fiscal impact

MEMBERS SIGNING DO PASS

[Signature]

[Signature]

[Signature]

[Signature]

OTHER RECOMMENDATIONS

[Signature]

Chairman signature and recommendation

Committee Backup Attached