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HOUSE COMMITTEE REPORT

File

(11)

Date Referred: April 20, 1990

FURTHER REFERRALS:

Date of Committee Action: 4/28/90

The FINANCE Committee considered:

CSSB 137 (FINANCE)

CS SB NO. 137 (Fin)

COMMERCIAL VEHICLE DRIVER LICENSING

"An Act relating to drivers' license fees, to commercial motor vehicles, and to transportation of persons for compensation; and providing for an effective date."

RECOMMENDATIONS:

- be replaced with _____ the same title
- have attached amendment(s) a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(s):
(Dept)

APPROVES PREVIOUS:

(Date/Dept)

- fiscal impact _____
- zero fiscal note _____
- zero with analysis _____

- fiscal note(s) 3/22/90 Public Safety
- zero fiscal note(s) 3/22/90 DOTPF
- zero fn/analysis _____

SIGNING DO PASS:

SIGNING:

(Check approp. column)

Do Not Pass No Rec Amend

SIGNING DO PASS	SIGNING	Do Not Pass	No Rec	Amend
<u>[Signature]</u> Hoffman				
<u>[Signature]</u> Larson				
<u>[Signature]</u> KOPONEN				
<u>[Signature]</u> Ulmer				
<u>[Signature]</u> Shultz				
<u>[Signature]</u> Phillips				
<u>[Signature]</u> Rieger				
<u>[Signature]</u> Wallis				
<u>[Signature]</u> SWACK				
<u>[Signature]</u> Barnes				

[Signature] Larson
Chairman's Signature
[Signature] Hoffman

R/O HFC 4-28-90

STATE OF ALASKA
1989 LEGISLATIVE SESSION

BILL VERSION: CS SB 137 (Fin) (a)
PUBLISH DATE: 3/22/90

REQUEST: FISCAL NOTE

Revision Date:
Title: An Act relating to commercial vehicle
driver licensing

Agency Affected: DOT&PF
BRU:

Sponsor:
Requestor:

Components:

EXPENDITURES/REVENUES: (THOUSANDS OF DOLLARS)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTURAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE	0	0	0	0	0	0
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FUNDING: (THOUSANDS OF DOLLARS)

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

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: This bill establishes a requirement for a holders of commercial drivers licenses to include their social security number in order that these persons may be cross referenced by other states. The Federal Highway Administration has mandated that the states failing to comply with the Commercial Driver License Program by October 1993 be subject to a 5% forfeiture of federal-aid, increasing to 10% the following and subsequent years.

Prepared by: Jeffery C. Opesen
Division: Engineering and Operations Standards

Phone: 465-2951
Date: February 22, 1989

Approved by Commissioner: *[Signature]*
Agency: Department of Transportation and Public Facilities

Date: 3/6/89

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

Changes in CS SB 137 (Fin) have no fiscal impact. This fiscal note is appropriate. Projections of no fiscal impact would continue through 1996.

4/6/90 *[Signature]* page 1 of 1

R/O HFC 4-28-90

STATE OF ALASKA
1990 LEGISLATIVE SESSION

BILL VERSION CS SB 137 (FIN)(b)
PUBLISH DATE: 3/22/90

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Public Safety
Title: Commercial vehicle driver BRU: Motor Vehicles
licensing
Sponsor: Governor/Senate Rules Component: Driver Services, Field
Requestor: Senate State Affairs Services

EXPENDITURES/REVENUES: (Thousands of Dollars) (Inflation not included)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES	153.1	239.7	239.7	239.7	239.7	239.7
TRAVEL	16.8	16.8	14.3	14.3	14.3	14.3
CONTRACTUAL	66.4	44.5	16.3	16.3	16.3	16.3
SUPPLIES	2.0	.5	.5	.5	.5	.5
EQUIPMENT	180.0	1.0	1.0	1.0	1.0	1.0
LAND & STRUCTURES	195.0	195.0	97.5	97.5	97.5	97.5
GRANTS, CLAIMS	-0-	-0-	-0-	-0-	-0-	-0-
MISCELLANEOUS	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL OPERATING	613.3	497.5	369.3	369.3	369.3	369.3

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
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REVENUE	695.0	695.0	287.5	287.5	287.5	687.5
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FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	-0-	81.8	81.8	81.8	-0-
FEDERAL FUNDS	60.0	71.0	-0-	-0-	-0-	-0-
OTHER/PROG RCPT	553.3	426.5	287.5	287.5	287.5	-0-
TOTAL	613.3	497.5	369.3	369.3	369.3	369.3

POSITIONS:

FULL-TIME	7	7	7	7	7	7
PART-TIME	-0-	-0-	-0-	-0-	-0-	-0-
TEMPORARY	-0-	-0-	-0-	-0-	-0-	-0-

ANALYSIS: (Attach a separate page if necessary)

(See attached)

Changes in CSSB 137 (Fin) have no fiscal impact. This fiscal note is appropriate. 4/6/90 *mm*

2/28/90

Prepared by: Jay Dulany
Division: Motor Vehicles
Approved by Commissioner: Arthur English
Agency: Department of Public Safety

Phone: 269 551
Date: 02/28 90
Date: 2-28-90
page 1 of 15

Current Alaska law [AS 28.15.041 (c)] requires issuance of a driver's license for operation of commercial motor vehicles. This section has never been implemented due to lack of funding. However, the federal Commercial Motor Vehicle Safety Act (CMVSA) of 1986 now requires all states to have uniform commercial driver licensing systems which include knowledge and road tests for the size and configuration of commercial vehicle to be operated. The main purpose of SB 137 is to reword current Alaska law to bring the State into compliance with the Federal CMVSA of 1986.

The development of a Commercial Driver License (CDL) Program in Alaska is now in the planning process. This fiscal note is based on the best possible estimate of numbers of persons who will need to be examined prior to issuance of a license to operate a commercial motor vehicle. Start-up year (FY91) figures for this fiscal note reflect full costs for equipment, which will not carry forward to the following years. Staff will be hired several months into FY91.

—Staff—

Six Motor Vehicle Representative IIIs (MVR IIIs) are necessary to carry out the CDL testing and licensing activities. Plans are to begin hiring the MVR IIIs in November 1990 to allow two months' training and orientation time prior to the planned testing and licensing start-up date of January 1, 1991. These MVR IIIs need to be experienced in licensing procedures and law as well as trained in the highly specialized area of testing in a variety of commercial vehicles.

In order to maintain uniformity in testing procedures, examiner training is being provided at the national level, with two representatives from each state attending the two-week sessions. These representatives, in turn, will return to their home states to conduct training workshops with the MVR IIIs who will be doing the hands-on skills tests. These representatives and their in-state trainers will need adequate travel funds to conduct the necessary training.

The increased volume of licenses that will be issued will greatly affect the records management workload. An additional staff member, a Documents Processing Clerk II, will need to be hired at the start-up of the testing and licensing program to perform this function and additional requirements in regard to the exchange of records among states.

—Testing—

Three separate classes of commercial licenses and six different endorsements will be issued. The CDL basic knowledge test is estimated to require up to an hour to complete. Additionally, specialized tests of lesser duration are required for the six endorsements: double/triple trailer, tank vehicle, hazardous material, passenger vehicle, school bus, and hazardous materials in a tank vehicle. To expedite administration of the knowledge tests, many states are using Automated Testing Devices, in which traffic situations are simulated on a video screen and multiple choice answers are selected on a keyboard. Alaska now has these test machines, but CDL testing requirements have created a need for more

sophisticated machines, plus monitors for scoring purposes. These test machines will save valuable examiner time which will be already over-taxed by the lengthy and complex skills test.

The road test requires about 1 and 1/2 hours to administer, provided that highway conditions to perform the requisite maneuvers can be found within a reasonable proximity. Additional land areas will be needed to conduct off-road maneuvers, and in some areas structures, such as loading docks, will need to be constructed, rented, or simulated. The minimal number of land areas needed to provide any reasonable convenience to driver applicants is ten sites of approximately 1/2 football field in size.

—Costs—

The Division of Motor Vehicles (DMV) estimates approximately 10,000 drivers statewide will need to be licensed by the federally-mandated deadline of April 1992. This requires placing DMV staff in key geographic areas (Anchorage, Fairbanks, Soldotna, Juneau, and Mat-Su) and periodic testing/monitoring trips to outlying areas in these regions. The CDL tests are demanding, and it is anticipated that many drivers will need retesting before they pass. California began its testing program January 1, 1989; the initial failure rate on both the skills and knowledge test was 57 percent.

To help cover costs of planning and implementing the CDL Program, the federal government has provided some grant monies to each state. Some of these monies have been reflected in the operating budget, and the remainder is reflected in this fiscal note.

Although implementing the CDL Program will require approximately \$600,000 to start up, and over half that much to maintain, the penalty for noncompliance is the forfeiture of five percent (for Alaska about \$6.1 million) of a state's federal highway funds the first year and ten percent for every year of noncompliance thereafter. Implementation will also make our highways safer for the general motoring public.

—Revenues—

Using the current license fee structure, unrestricted revenues for the first two years of issuing commercial licenses are expected to average \$50,000 annually (5,000 licenses/year x \$10.00/license). Unrestricted revenues for ensuing years are expected to bring in \$10,000 annually (1,000 new licenses/year x \$10.00/license).

The DMV believes that commercial driver license fees should be raised to a level that would fund this program. If commercial driver license fees were increased to \$100.00/license, the revenues for the first two years of issuing commercial licenses would average \$500,000 annually (5,000 licenses/year x \$100.00/license). Revenues for ensuing years would then bring in \$100,000 annually (1,000 new licenses/year x \$100.00/license). Renewals of CDLs five years after the initial licensing (FY96) will bring in additional revenues. The higher license fees would be consistent with what other states are charging, and is still for less than the State currently charges for licenses in other professions.

In addition to the \$100.00 fee for the CDL, a \$25.00 fee for the skills test will need to be assessed because the test is so time-consuming and in many cases will need to be attempted more than once. The DMV intends to "grandfather" all qualified drivers through the skills test, but estimates approximately 1,500 drivers per year will remain to be tested in each of the first two years of issuing commercial licenses. This would amount to an additional \$37,500 annually in revenues for each of those first two years (1,500 skills tests/year x \$25.00/test). Revenues for ensuing years would then bring in \$22,500 (900 skills tests/year x \$25.00/test).

Since driver license activity is increasing at all of the licensing offices, the DMV believes there is a need to assess skills test fees for all driver applicants. Those seeking a license to drive a private automobile, light truck or motorcycle would be assessed \$15.00/test for the 30-45 minute test. An estimated 10,500 regular skills tests would be administered during each of those first two start-up years. This would bring in an additional \$157,500 in revenues for each of those two years (10,500 regular skills tests/year x \$15.00/skills test). Revenues for ensuing years would then bring in \$165,000 (11,000 regular skills tests/year x \$15.00/test), since it is anticipated the number of new drivers seeking licenses will increase.

Part of the increase in revenue indicated above will be used as program receipts to fund the program.

REVENUE SUMMARY, Fiscal note
SB 137 (Draft CS)
Page 5 of 15

—Revenues—

FY91/92

5,000 CDL's @ \$100/ea	\$500,000
1,500 CDL skills testes @ \$25/ea	37,500
10,500 regular skills tests @ \$15/ea	<u>157,500</u>
Total	\$695,000

FY93/94/95

1,000 CDL's @ \$100/ea	\$100,000
900 CDL skills tests @ \$25/ea	22,500
11,000 regular skills tests @ \$15/ea	<u>165,000</u>
Total	\$287,500

FY96

5,000 CDL's @ \$100/ea	\$500,000
900 CDL skills tests @ \$25/ea	22,500
11,000 regular skills tests @ \$15/ea	<u>165,000</u>
Total	\$687,500

FY91 (July 1990-June 1991)

PERSONAL SERVICES \$153,105

1 Documents Processing Clerk II (6 months) \$15,117
Step A)

6 Motor Vehicle Representative IIIs \$137,988
(Average of Steps A & B) (8 mos., 11/1/90-7/1/91)
1 Southeast (Juneau)
2 Anchorage
1 Fairbanks
1 Soldotna
1 Mat-Su

TRAVEL \$16,840

Examiner Training (3 staff to national training program;
local training in-State) \$13,640

Testing/Monitoring \$ 3,200
(3 trips/region/6 mos. to other DMV offices.)

CONTRACTUAL SERVICES \$66,400

Telephone/postage \$ 3,200

Liaison & Support Services \$10,000

Fall Marketing Campaign (1990) \$ 5,000

Printing (Tests, Manuals, license aps.) \$15,000

CDLIS user fees (5,000 records @\$4.00/record) \$20,000
(1/1/91-6/30/91)

Polaroid \$ 4,200
(5,000 licenses @\$0.83/license photo)

Truck rental for examiner training \$ 9,000

SUPPLIES \$2,000

EQUIPMENT \$180,000

Automated testing devices:
14 automated testing devices @ \$10,000 ea. \$140,000
5 master controls @ \$7,500 ea. \$ 37,500

(Automated testing devices are necessary for administration of the knowledge test in major offices.)

Office equipment (furnishings for 5 positions; desk, chair, file cabinet)	\$1,000
Miscellaneous	\$1,500
Eg., 32 parking cones (2-4 per each test site) @ approx. 16.00/ea	\$500
Other	\$1,000

LAND AND STRUCTURES \$195,000

Lease space for off-road testing; approx. 1/2 football field in size at 10 sites statewide for 2 days/week. \$195,000

TOTAL \$613,345

FY92 (July 1991-June 1992)

<u>PERSONAL SERVICES</u>		<u>\$239,666</u>
1 Documents Processing Clerk II (Average of Steps A & B)	\$30,593	
6 Motor Vehicle Representative IIIs (Average of Steps A & B)	\$209,073	
1 Southeast (Juneau)		
2 Anchorage		
1 Fairbanks		
1 Soldotna		
1 Mat-Su		
<u>TRAVEL</u>		<u>\$16,800</u>
In-service training	\$10,000	
Testing/Monitoring (6 trips/region/year to other DMV offices)	\$6,400	
Mileage	400	
<u>CONTRACTUAL SERVICES</u>		<u>\$44,500</u>
Liaison & Support Services	\$10,000	
Public Information	\$5,000	
Printing (Tests & Manuals)	\$5,000	
Commercial Driver License Information System (CDLIS) user fees, 5,000 records @\$4.00/record	\$20,000	
Polaroid, 5,000 licenses @ \$.90/document	\$4,500	
<u>SUPPLIES</u>		<u>\$ 500</u>
<u>EQUIPMENT</u>		<u>\$1,000</u>
<u>LAND AND STRUCTURES</u>		<u>\$195,000</u>
<u>TOTAL</u>		<u>\$497,466</u>

FY93 and future fiscal years

<u>PERSONAL SERVICES</u>		<u>\$239,666</u>
1 Documents Processing Clerk II (Average of Steps A & B)	\$30,593	
6 Motor Vehicle Representative IIIs (Average of Steps A & B)	\$209,073	
2 Southeast (Juneau, Ketchikan)		
4 Anchorage		
2 Fairbanks		
1 Kenai		
1 Mat-Su		
<u>TRAVEL</u>		<u>\$14,300</u>
In-service training	\$7,500	
Testing/Monitoring (6 trips/region/year to other DMV offices)	\$6,400	
Mileage	400	
<u>CONTRACTUAL SERVICES</u>		<u>\$16,280</u>
Liaison & Support Services	\$5,000	
Public Information	\$2,000	
Printing (Tests & Manuals)	\$5,000	
CDLIS user fees, 200 records @\$4.00/record	\$800	
Polaroid, 200 licenses @ \$.90/ license document	\$180	
Training—1 week, trainer and truck time	\$3,300	
<u>SUPPLIES</u>		<u>\$500</u>
<u>EQUIPMENT</u>		<u>\$1,000</u>
<u>LAND AND STRUCTURES</u>		<u>\$97,500</u>
<hr/>		
<u>TOTAL</u>		<u>\$369,246</u>

Position Title Motor Vehicle Representative III		No. of Positions 1	Range/Step 10A	Barg. Unit GGU
Time Status Perm. FT	Staff Months 8	Location Juneau		Election District 4
Type of Expenditure		Justification		
1	2	3		
Salary*	22,020	This position will administer road tests and knowledge examinations to drivers of highly specialized classes of commercial vehicles. The MVR III will conduct the road tests in the type of commercial vehicle which the driver will be operating under the license for which he is applying. Three classes of commercial licenses will be issued with six additional endorsements. The MVR III will be thoroughly familiar with the operation of the vehicles for which these licenses and endorsements will be issued.		
Benefits*	11,324	Pertinent facts related to the testing and licensing procedure include:		
Premium Pay (Included in Above)	//////	The basic road test and pre-trip inspection require 1.5 hours to administer.		
Other	//////	10,000 drivers will need to be licensed by April 1992.		
Total Personal Services	//////	The first state to conduct commercial driver tests had a failure rate of 57%, necessitating extensive retesting.		
Travel		The MVR III will also conduct vehicle safety inspections prior to administering the road test. After the test has been completed, the MVR III will determine whether applicants should receive operator's licenses and any endorsements for which they are applying.		
Contractual	2,473	In addition to testing and licensing duties, the MVR III also monitors quality control and error correction in the administration of these duties. Inquiries from citizens and public agencies regarding commercial driver's licenses and safety will be responded to by the MVR III where appropriate.		
Commodities	1,200			
Equipment	182			
Other	1,000			
Total Cost	-0-			
	26,862			
Funding Source for Total Cost				
Federal Receipts	1002	-0-		
G.F. Match	1003	-0-		
General Fund	1004	26,862		
Program Receipts/GF	1005	-0-		
I-A Receipts	1007	-0-		
CIP Receipts	1061	-0-		
Other		-0-		
* Personal Services Salary and Benefits Costs are from PACS.				

REQUEST FOR
NEW POSITION

AGENCY Department of Public Safety
 BRU Motor Vehicles
 COMPONENT Driver Services

Page 10 of 15
 Revised Date

FY 91

Position Title Motor Vehicle Representative III		No. of Positions 2	Range/Step 103	Barg. Unit GGU
Time Status Perm. FT	Staff Months 2 positions @ 8 months each = 16	Location Anchorage		Election District 7-15
Type of Expenditure		Justification		
		This position will administer road tests and knowledge examinations to drivers of highly specialized classes of commercial vehicles. The MVR III will conduct the road tests in the type of commercial vehicle which the driver will be operating under the license for which he is applying. Three classes of commercial licenses will be issued with six additional endorsements. The MVR III will be thoroughly familiar with the operation of the vehicles for which these licenses and endorsements will be issued.		
Amount		Pertinent facts related to the testing and licensing procedure include:		
1	2	3	The basic road test and pre-trip inspection require 1.5 hours to administer.	
Salary*	45,532	//////////	10,000 drivers will need to be licensed by April 1992.	
Benefits*	23,025	//////////	The first state to conduct commercial driver tests had a failure rate of 57%, necessitating extensive retesting.	
Premium Pay (Included in Above)	//////////	//////////	The MVR III will also conduct vehicle safety inspections prior to administering the road test. After the test has been completed, the MVR III will determine whether applicants should receive operator's licenses and any endorsements for which they are applying.	
Other	//////////	//////////	In addition to testing and licensing duties, the MVR III also monitors quality control and error correction in the administration of these duties. Inquiries from citizens and public agencies regarding commercial driver's licenses and safety will be responded to by the MVR III where appropriate.	
Total Personal Services	//////////	45,181		
Travel		4,946		
Contractual		2,400		
Commodities		364		
Equipment		2,000		
Other		-0-		
Total Cost		54,891		
Funding Source for Total Cost				
Federal Receipts	1002	-0-		
G.F. Match	1003	-0-		
General Fund	1004	54,891		
Program Receipts/GF	1005	-0-		
I-A Receipts	1007	-0-		
CIP Receipts	1061	-0-		
Other		-0-		
* Personal Services Salary and Benefits Costs are from PACS.				

REQUEST FOR
NEW POSITION

AGENCY Department of Public Safety
 BRU Motor Vehicles
 COMPONENT Field Services

Page 11 of 15
 Revised Date

FY 91

Position Title Motor Vehicle Representative III			No. of Positions 1	Range/Step 10B	Barg. Unit GGU
Time Status Perm. FT	Staff Months 8		Location Fairbanks		Election District 18-21
Type of Expenditure			Amount		
1		2	3		
Salary*		25,620	////////////////////		
Benefits*	12,297	12,297	////////////////////		
Premium Pay (Included in Above)			////////////////////		
Other	-0-		////////////////////		
Total Personal Services			25,025		
Travel			2,473		
Contractual			1,200		
Commodities			182		
Equipment			1,000		
Other			-0-		
Total Cost			29,860		
Funding Source for Total Cost					
Federal Receipts	1002		-0-		
G.F. Match	1003		-0-		
General Fund	1004		29,880		
Program Receipts/GF	1005		-0-		
I-A Receipts	1007		-0-		
CIP Receipts	1061		-0-		
Other			-0-		
* Personal Services Salary and Benefits Costs are from PACS.					

Justification
This position will administer road tests and knowledge examinations to drivers of highly specialized classes of commercial vehicles. The MVR III will conduct the road tests in the type of commercial vehicle which the driver will be operating under the license for which he is applying. Three classes of commercial licenses will be issued with six additional endorsements. The MVR III will be thoroughly familiar with the operation of the vehicles for which these licenses and endorsements will be issued.

Pertinent facts related to the testing and licensing procedure include:
The basic road test and pre-trip inspection require 1.5 hours to administer.
10,000 drivers will need to be licensed by April 1992.
The first state to conduct commercial driver tests had a failure rate of 57%, necessitating extensive retesting.

The MVR III will also conduct vehicle safety inspections prior to administering the road test. After the test has been completed, the MVR III will determine whether applicants should receive operator's licenses and any endorsements for which they are applying.

In addition to testing and licensing duties, the MVR III also monitors quality control and error correction in the administration of these duties. Inquiries from citizens and public agencies regarding commercial driver's licenses and safety will be responded to by the MVR III where appropriate.

REQUEST FOR
NEW POSITION

AGENCY Department of Public Safety
BRU Motor Vehicles
COMPONENT Field Services

Page 12 of 15
Revised Date

FY 91

Position Title Motor Vehicle Representative III			No. of Positions 1	Range/Step 10B	Barg. Unit GGU
Time Status Perm FT	Staff Months 8		Location Kenai/Soldotna		Election District 5
Type of Expenditure			Justification		
Amount			This position will administer road tests and knowledge examinations to drivers of highly specialized classes of commercial vehicles. The MVR III will conduct the road tests in the type of commercial vehicle which the driver will be operating under the license for which he is applying. Three classes of commercial licenses will be issued with six additional endorsements. The MVR III will be thoroughly familiar with the operation of the vehicles for which these licenses and endorsements will be issued.		
1	2	3	Pertinent facts related to the testing and licensing procedure include:		
Salary*	24,120	////////////////////	The basic road test and pre-trip inspection require 1.5 hours to administer.		
Benefits*	11,892	////////////////////	10,000 drivers will need to be licensed by April 1992.		
Premium Pay (Included in Above)	////////////////////	////////////////////	The first state to conduct commercial driver tests had a failure rate of 57%, necessitating extensive retesting.		
Other -0-	////////////////////	////////////////////	The MVR III will also conduct vehicle safety inspections prior to administering the road test. After the test has been completed, the MVR III will determine whether applicants should receive operator's licenses and any endorsements for which they are applying.		
Total Personal Services	////////////////////	23,767	In addition to testing and licensing duties, the MVR III also monitors quality control and error correction in the administration of these duties. Inquiries from citizens and public agencies regarding commercial driver's licenses and safety will be responded to by the MVR III where appropriate.		
Travel		2,473			
Contractual		1,200			
Commodities		182			
Equipment		1,000			
Other		-0-			
Total Cost		28,622			
Funding Source for Total Cost					
Federal Receipts	1002	-0-			
G.F. Match	1003	-0-			
General Fund	1004	28,622			
Program Receipts/GF	1005	-0-			
I-A Receipts	1007	-0-			
CIP Receipts	1061	-0-			
Other		-0-			
* Personal Services Salary and Benefits Costs are from PACS.					

REQUEST FOR
NEW POSITION

AGENCY Department of Public Safety
 BRU Motor Vehicles
 COMPONENT Field Services

Page 13 of 15
 Revised Date

FY 91

Position Title Motor Vehicle Representative III			No. of Positions 1	Range/Step 10A	Barg. Unit GGU
Time Status Perm FT	Staff Months 8		Location Mat-Su		Election District 16
Type of Expenditure			Amount		
1			2		3
Salary*			22,716		////////////////////
Benefits*			11,512		////////////////////
Premium Pay (Included in Above)			////////////////////		////////////////////
Other			////////////////////		////////////////////
Total Personal Services			////////////////////		22,591
Travel					2,473
Contractual					1,200
Commodities					182
Equipment					-0-
Other					-0-
Total Cost					26,446
Funding Source for Total Cost					-0-
Federal Receipts 1002					-0-
G.F. Match 1003					-0-
General Fund 1004					26,446
Program Receipts/GF 1005					-0-
I-A Receipts 1007					-0-
CIP Receipts 1061					-0-
Other					-0-
* Personal Services Salary and Benefits Costs are from PACS.					
<p>Justification</p> <p>This position will administer road tests and knowledge examinations to drivers of highly specialized classes of commercial vehicles. The MVR III will conduct the road tests in the type of commercial vehicle which the driver will be operating under the license for which he is applying. Three classes of commercial licenses will be issued with six additional endorsements. The MVR III will be thoroughly familiar with the operation of the vehicles for which these licenses and endorsements will be issued.</p> <p>Pertinent facts related to the testing and licensing procedure: 1) The basic road test and pre-trip inspection require 1.5 hrs to administer. 2) 10,000 drivers will need to be licensed by April 1992. 3) The first state to conduct commercial driver tests had a failure rate of 57%, necessitating extensive retesting.</p> <p>The MVR III will also conduct vehicle safety inspections prior to administering the road test. After the test has been completed, the MVR III will determine whether applicants should receive operator's licenses and any endorsement for which they are applying.</p> <p>In addition to testing and licensing duties, the MVR III also monitors quality control and error correction in the administration of these duties. Inquiries from citizens and public agencies regarding commercial driver's licenses and safety will be responded to by the MVR III where appropriate.</p>					

REQUEST FOR
NEW POSITION

AGENCY Department of Public Safety
 BRU Motor Vehicles
 COMPONENT Field Services

Page 14 of 15
 Revised Date

FY 91

Position Title Document Processing Clerk II		No. of Positions 1	Range/Step 8A	Barg. Unit GGU
Time Status Perm. FT	Staff Months 6	Location Juneau		Election District 4
Justification				
Type of Expenditure		Amount		
1	2	3		
Salary*	19,572	////////////////////		
Benefits*	10,663	////////////////////		
Premium Pay (Included in Above)	////////////////////	////////////////////		
Other -0-	////////////////////	////////////////////		
Total Personal Services	////////////////////	15,117		
Travel		-0-		
Contractual		1,200		
Commodities		182		
Equipment		1,000		
Other		-0-		
Total Cost		17,499		
Funding Source for Total Cost				
Federal Receipts	1002	-0-		
G.F. Match	1003	-0-		
General Fund	1004	17,499		
Program Receipts/GF	1005	-0-		
I-A Receipts	1007	-0-		
CIP Receipts	1061	-0-		
Other		-0-		
* Personal Services Salary and Benefits Costs are from PACS.				

For an estimated 10,000 licenses which need to be issued within a 15-month time span beginning in January 1991, the Documents Processing Clerk will perform the following:

- Send appropriate letter to licensee when necessary.
- Prepare documents for microfilming.
- Data entry of documents onto retrieval index system after microfilming.
- Data entry of driver licenses returned from another state to maintain records as required by Commercial Motor Vehicle Safety Act of 1986 for one license/one record concept.
- Send record to new licensing state when necessary.

REQUEST FOR
NEW POSITION

AGENCY Department of Public Safety
 BRU Motor Vehicles
 COMPONENT Field Services

Page 15 of 15
 Revised Date

FY 91

Original sponsor(s): Rules/Governor

1 IN THE SENATE BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 137 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to drivers' license fees, to commer-
7 cial motor vehicles, and to transportation of persons
8 for compensation; and providing for an effective
9 date."

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

11 * Section 1. AS 28.15.271(a) is amended to read:

12 (a) The fees for drivers' licenses and permits, including but
13 not limited to renewals, and all related driver skills tests are as
14 follows:

15 (1) all noncommercial vehicles and motor-driven cycles
16 each license fee [CLASSES OF DRIVERS' LICENSES] \$10;

17 each driver skills test \$ 15;

18 (2) all commercial motor vehicles each license fee .. \$100;

19 each driver skills test \$ 25

20 [MOTOR-DRIVEN CYCLES \$10];

21 (3) instruction permit

22 (4) duplicate of driver's license or instruction

23 permit

24 (5) temporary license and renewal of permit

25 (6) school bus driver's endorsement renewal [PERMIT] . \$ 3.

26 * Sec. 2. AS 28.15.271 is amended by adding new subsections to read:

27 (c) The fee for a driver skills test must be paid at the time an
28 appointment for the skills test is made or before the skills test is
29 given, whichever is earlier. The department may not refund a driver

1 skills test fee if the applicant cancels the appointment, fails to
2 appear at the appointed day and time, or fails to pass the skills
3 test.

4 (d) The fees collected by the department under this section
5 shall be deposited in the general fund. The Department of Adminis-
6 tration shall separately account for the fees collected under this
7 section and deposited in the general fund. The annual estimated
8 balance in the account may be used by the legislature to make appro-
9 priations for the administration of this chapter.

10 * Sec. 3. AS 28.33 is amended by adding new sections to read:

11 ARTICLE 2. COMMERCIAL VEHICLE OPERATORS.

12 Sec. 28.33.100. LICENSE TO OPERATE COMMERCIAL MOTOR VEHICLE.

13 (a) A person may not operate a commercial motor vehicle until the
14 person applies for and is issued a license for that purpose under
15 AS 28.15.041. The department may not issue a license to operate a
16 commercial motor vehicle unless the applicant

17 (1) is at least 19 years of age;

18 (2) has held a valid driver's license at least one year
19 before the date of application;

20 (3) has successfully completed all required driving tests
21 and written and physical examinations;

22 (4) either does not have a driver's license issued by
23 another jurisdiction or surrenders all driver's licenses issued by
24 other jurisdictions.

25 (b) In addition to the information required under AS 28.15.111,
26 a commercial driver's license shall include information determined by
27 the United States Secretary of Transportation to be appropriate to
28 identify the licensee, including the licensee's social security num-
29 ber.

1 (c) A person who has been a state resident for 30 days or longer
2 may not drive a commercial motor vehicle under the authority of a
3 commercial driver's license issued by another jurisdiction.

4 (d) The licensing requirements of this section are in addition
5 to the requirements imposed on a school bus driver under AS 28.15.046.

6 Sec. 28.33.110. NOTIFICATION REQUIREMENTS FOR DRIVERS OF COMMER-
7 CIAL MOTOR VEHICLES. (a) A driver of a commercial motor vehicle
8 holding a commercial driver's license issued by the state who is
9 convicted of violating a federal or state law or local ordinance
10 relating to motor vehicle traffic control in this or another state, or
11 a federal, provincial, territorial, or municipal law relating to motor
12 vehicle traffic control in Canada, other than parking violations,
13 shall notify the driver's employer, in writing, of the conviction
14 within 30 days after the date of conviction.

15 (b) A driver whose operating privilege is suspended, revoked, or
16 canceled by a state, who loses the privilege to operate a commercial
17 motor vehicle in a state for any period, or who is disqualified from
18 operating a commercial motor vehicle for any period, shall notify the
19 driver's employer of that fact before the end of the business day
20 following the day the driver received notice of the suspension, revo-
21 cation, cancellation, loss, or disqualification.

22 (c) A person who applies for employment as a commercial motor
23 vehicle driver shall

24 (1) provide the person's prospective employer, at the time
25 of application for employment, with the following information for the
26 10 years preceding the date of application:

27 (A) a list of the names and addresses of employers for
28 which the applicant was a driver of a commercial motor vehicle;

29 (B) the dates between which the applicant drove for

- 1 (A) used to transport passengers or property;
- 2 (B) used upon a land highway or vehicular way connect-
- 3 ed to
- 4 (i) the land connected state highway system; or
- 5 (ii) a land highway or vehicular way with an
- 6 average daily traffic volume greater than 499; and
- 7 (C) that
- 8 (i) has a gross vehicle weight rating or gross
- 9 combination weight rating greater than 26,000 pounds;
- 10 (ii) is designed to transport more than 15 passen-
- 11 gers, including the driver; or
- 12 (iii) is used in the transportation of materials
- 13 found by the United States Secretary of Transportation to be
- 14 hazardous for purposes of 49 U.S.C. 1801 - 1813 (Hazardous
- 15 Materials Transportation Act);
- 16 (D) except that the following vehicles meeting the
- 17 criteria in (A) - (C) of this paragraph are not commercial vehi-
- 18 cles:
- 19 (i) emergency or fire equipment that is necessary
- 20 to the preservation of life or property;
- 21 (ii) farm vehicles that are controlled and operat-
- 22 ed by a farmer; used to transport agricultural products,
- 23 farm machinery, or farm supplies to or from that farmer's
- 24 farm; not used in the operations of a common or contract
- 25 motor carrier; and used within 150 miles of the farmer's
- 26 farm; and
- 27 (iii) recreational vehicles used exclusively for
- 28 purposes other than commercial purposes;
- 29 (20) "commercial purposes" means activities for which a

1 person receives direct monetary compensation or activities for which a
2 person receives no direct monetary compensation but that are inci-
3 dental to and done in furtherance of the person's primary business;

4 (21) "gross combination weight rating" means the value
5 specified by the manufacturer as the loaded weight of a combination
6 vehicle, except that if a value has not been specified by the manufac-
7 turer, the gross combination weight rating is determined by adding the
8 gross vehicle weight rating of the power unit and the total weight of
9 the towed unit and the load on the towed unit;

10 (22) "gross vehicle weight rating" means the value specified
11 by the manufacturer as the loaded weight of a single vehicle.

12 * Sec. 5. AS 28.15.041(b) and 28.15.041(c) are repealed.

13 * Sec. 6. This Act takes effect January 1, 1991.

DEPARTMENT OF PUBLIC SAFETY
COMMENTARY

CSSB 137 (Finance)

The purpose of SB 137 is to assist Alaska in complying with the federal requirements in relation to the licensing of residents who operate commercial motor vehicles.

In an effort to reduce the amount of deaths, injuries and property damage caused by specific motor vehicles the United States Congress passed what is referred to as the Commercial Motor Vehicle Safety Act of 1986.

That act set some specific requirements that drivers and employers must meet plus requirements each state must meet. If a state doesn't meet some of these requirements, such as a classified driver's license system for the operation of commercial motor vehicles, there is no way for residents of that state who drive commercial motor vehicles to meet the federal requirements. Plus, if a state does not meet the standards, the federal government will withhold federal highway funds. The federal requirements are quite specific and do not allow the states to change the requirements.

The main emphasis of the federal act is that each driver display their competency to operate the size and type of vehicle they drive; that each driver has only one driver's license; and that specific penalties be set for drivers who violate laws the laws.

The Division of Motor Vehicles anticipates beginning to issue commercial driver's licenses on January 1, 1991, and to have all operators licensed by the federal deadline of

April 1, 1992. If operators are not licensed by April 1, 1992 they will be subject to federal penalties and would not be allowed to operate in other states.

It is extremely important that this legislation pass this year to allow the State to license operators of commercial motor vehicles so they can be in compliance with the federal law by the deadline of April 1, 1992.

The new program will have major impact on the Division of Motor Vehicles, and the fiscal note, which is revenue generating, outlines what the Division of Motors Vehicles feels is necessary to adequately fund a commercial driver licensing program.

SECTION BY SECTION ANALYSIS

Section 1 sets the fee for a commercial driver's license at \$100.00. Does not change the fees for any other driver's license. Sets the fee of \$25.00 for each driver skills test in a commercial motor vehicle, and the fee of \$15.00 for each driver skills test in any other motor vehicle. The reason for these fees is to cover the cost to administer the program.

The \$100.00 commercial driver's license fee is still considerably less when pro-rated on an annual basis than other professional licenses in the state. It is for a 5-year license, whereas the costs of some other licenses are as follows: Master Guide - \$300.00 for 2 years; Assistant Guide - \$100.00 for 2 years; Barber or Hairdresser - \$100.00

for 2 years; Construction Contractor - \$180.00 for 2 years; and Marine Pilot - \$180.00 for 2 years.

Section 2 adds a new subsection (c) which sets guidelines for payment of fees for a driver skills test.

Section 2 also adds a new subsection (d) which addresses the fees collected, reflecting that they will go into the general fund, be accounted for separately, and may be used by the Legislature to appropriate funds to administer the driver's license program.

Section 3 adds four new sections to the commercial motor vehicle chapter in Title 28.

The first new section (28.33.100) is largely a restatement of current law (AS 28.15.041(b) and (c)), plus language requiring a person to surrender any previous license (to meet the federal requirement of one license); requires the social security number on a commercial driver's license (federal requirement); requires a resident to receive a licence within 30 days (federal requirement); and specifies that this section is in addition to the requirements Alaska now has for school bus drivers (background check, physical exam, training, etc.).

The second section (28.33.110) sets out notification requirements for drivers of commercial motor vehicles as specified by the federal government.

The third section (28.33.120) sets out responsibilities of employers of commercial motor vehicle drivers. These are also as specified by the federal government.

The fourth section (28.33.300) defines two terms used in previous sections.

Section 4 defines a "commercial motor vehicle," and three other terms. This definition adopts the guidelines set by the federal government, and contains the exemptions allowed by the federal government. The exemptions include the same smaller rural communities that are currently exempt, under State statute, from the Mandatory Insurance Law and Motor Vehicle Registration; includes operators of emergency and fire equipment; includes farm vehicles with specific restrictions; and includes recreational vehicles. The federal government has granted waivers for these specific groups, but has refused to grant waivers to several other categories such as church school bus operators.

Section 5 repeals two sections of Chapter 15, which are reworded in Section 3 of this bill or were previously incorporated in AS 28.15.046.

Section 6 sets an effective date.

As required by AS 28.22.011(b), following is a list of areas that are exempt from the mandatory insurance law. As of 9/01/86 these areas are also exempt from vehicle registration per AS 28.10.011(11) amended in 1986 legislature.

August 15, 1989

Adak	Chignik Lake	Kaktovik	Napaiskak	St. George
Afognak	Chisana	Kalskag	Napakiak	St. Mary's
Akhiok	Christian	Kaltag	Nelson Lagoon	St. Michael
Akiachak	Chuathbaluk	Kanatak	New Stuyahok	St. Paul
Akiak	Clark's Point	Karluk	Newhalen	Sanak
Akolmiut	Cold Bay	Kasaan	Newtok	Sand Point
Akulurak	Crooked Creek	Kashegelok	Nightmute	Savoonga
Akutan		Kasigluk	Nikolai	Scammon Bay
Alakanuk	Deering	Katalla	Nikolski	Selawik
Alatna	Diomede	Kiana	Noatak	Shageluk
Allakaket		King Cove	Nolan	Shaktoolik
Amakdedori	Edna Bay	King Island	Nondalton	Sheldon Point
Ambler	Eek	Kipnuk	Noorvik	Shemya
Amchitka	Egavik	Kivalina	Nuiqsut	Shismaref
Angoon	Egegik	Kiwalik	Nulato	Shungnak
Aniak	Ekuk	Kobuk	Nunachuak	Shungnak Village
Annette	Ekwok	Kokhanok	Nunapitchuk	Skwentna
Anvik	Elfin Cove	Kokrines	Nushagak	Sleetmute
Arctic Village	Elim	Koliganek	Nyac	Snettisham
Atka	Emanguk	Kongiganak	Old Harbor	South Naknek
Atkasuk	Emmonak	Kotlik	Ophir	Squaw Harbor
Attu	English Bay	Kotzebue	Oscarville	Stebbins
	Excursion Inlet	Koyuk	Ouzinkie	Stevens Village
		Koyukuk	Owl Village	Stony River
Baranof		Kvichak		Stuyahok
Barrow	False Pass	Kwethluk	Pavlof Harbor	Takotna
Beaver	Flat	Kwigillingok	Pedro Bay	Taku Harbor
Bell Is. Hot Spgs.	Fort Yukon	Kwiguk	Pelican	Tanana
Belkofski	Fortuna Ledge	Kwinhagak	Pennock Island	Tanunak
Belmezik			Perryville	Tatitlek
Bettles	Galena		Pikmiktalik	Tenakee Springs
Bettles Field	Gambell	Lake Minchumina	Pile Bay	Tetlin
Biorka	Golovin	Larsen Bay	Pilot Point	Tin City
Birch Creek	Goodnews Bay	Latouche	Pilot Station	Todd
Brevig Mission	Grayling	Levelock	Pitka's Point	Togiak
Buckland	Gustavus	Lime Village	Platinum	Tokeen
		Little Diomede	Pt. Baker	Toksook Bay
Candle	Hawk Inlet	Long	Pt. Hope	Tuluksak
Canyon	Haycock	Lower Kalskag	Pt. Lay	Tuntutuliak
Cape Pole	Holy Cross		Poorman	Tununak
Cape Yakataga	Hooper Bay	Manokatak	Port Alexander	Twin Hills
Chalkyitsik	Hughes	Marshall	Port Alsworth	Tyonek
Chandalar	Huslia	Mary's Igloo	Port Ashton	
Chaniliut		McGrath	Port Graham	Ugashik
Chakaktolik		Medfra	Port Heiden	Umiat
Chase	Iditarod	Mekoryuk	Port Lions	Unalakleet
Chatham	Iguigig	Meshik	Port Moller	Unga
Cheching	Igushik	Metlakatla	Port Wakefield	
Chenik	Iliamna	Meyoryuk		Venetie
Chefornak	Ivanoff Bay	Meyers Chuck	Quinhagak	
Chernofski		Moses Point		Wainwright
Chevak	Kachemak	Mountain Village	Rampart	Wales
Chichagof	Kaguyak	Mumtrak	Red Devil	White Mountain
Chignik	Kake		Ruby	Whittier
Chignik Lagoon	Kakhonak	Napaimiut	Russian Mission	Wiseman
				Woody Island

Information concerning the Commercial Motor Vehicle Safety Act of 1986, and SB 137.

Question 1: What is the deadline for a driver to have a new CDL (Commercial Driver's License)?

Drivers must have the new CDL in order to drive a commercial motor vehicle by April 1, 1992.

Question 2: What is the penalty if a driver operates a commercial motor vehicle after April 1, 1992, without a CDL?

The Federal penalty is a \$2,500 civil penalty, or up to a \$5,00 fine or imprisonment as a criminal penalty.

Question 3: Are school and church bus driver's required to get a CDL?

Yes, if they drive vehicles designed to transport 16 or more people. The Federal Government received numerous requests to exempt specific groups. They considered both school buses and church school buses with the decision to not grant waivers for these groups. The administrator decided that the cargo was too important to merit exclusion from the law, and that there needed to be a way to determine which drivers would be competent.

Question 4: Does the Federal law apply to drivers of vehicles used in "van pools"?

Yes, if the vehicle is designed to transport 16 or more people.

Question 5: Do tow truck operators need to get a CDL?

The tow truck and its towed vehicle are treated the same as any other powered unit towing a nonpowered unit. If the weight of the tow truck and/or the towed vehicle exceed the weight limitations in the definition of a commercial motor vehicle the tow truck operator is required to have a CDL.

Question 6: Would the Federal Government grant Alaska a waiver since it is not part of the contiguous United States?

No, Alaska and Hawaii are not exempt. However, the Federal Government did grant a waiver for drivers in Alaska only who do not drive on a road connected by land highway to the land connected State highway system, or any road with an average daily traffic volume greater than 499. This is the same exemption Alaska statutes now grant for vehicle registration and mandatory insurance.

Question 7: Could the exemption be increased to some figure greater than 499?

No. If the figure was increased in SB 137, Alaska would not be in compliance with the Federal law.

Question 8: Can applicants for a CDL be "grandfathered" in to avoid taking all the examinations?

No. All applicants will be required to successfully complete the basic knowledge test, and the endorsement knowledge tests. An applicant can be "grandfathered" for the skills (road) test if the applicant certifies and provides evidence that he or she meets certain conditions including a clear driving record; is regularly employed in a job requiring operation of a commercial motor vehicle; has operated such a vehicle for at least 2 years immediately preceding application for the CDL; etc. An applicant may not be "grandfathered" in after April 1, 1992.

Question 9: Does SB 137 address all issues to bring Alaska into compliance with the Federal law?

No, however, it does allow for the issuance of a CDL, along with some regulation changes, so that all drivers can be in compliance with the law by the deadline set by the Federal Government.

Question 10: What other issues need to be addressed:

Disqualification offenses, and penalties, such as lowering blood alcohol level to .04 for operators of commercial motor vehicles. These issues are being addressed in HB 317.

Question 11: What are the consequences if Alaska does not meet the Federal requirements?

Alaska residents who drive commercial motor vehicle could be penalized by the Federal Government, and would not be allowed to operate in any other state. Plus, the first year after September 30, 1992, the Federal Government would withhold 5% of Federal Highway money, and 10% each year thereafter.

Question 12: Why should the State charge \$100 for the CDL?

The \$100 license fee, and the new skills test fees will cover the cost of the program, and still be considerably less than most other professional licenses issued by the State such as to construction contractors; barbers; hairdressers; marine pilots; vessel agents; guides; nurses; etc.

STEVE COWPER
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

137

January 23, 1989

The Honorable Tim Kelly
President of the Senate
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Senator Kelly:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to commercial vehicle driver licensing.

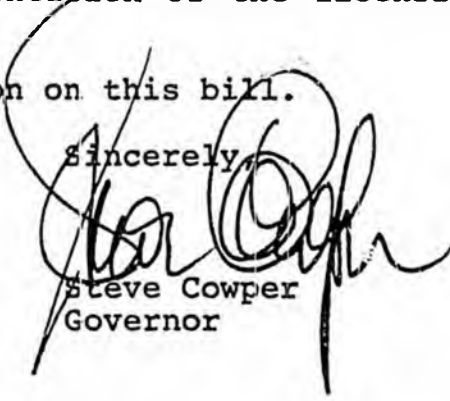
This bill is intended to bring Alaska into compliance with the Commercial Motor Vehicle Safety Act of 1986 (49 U.S.C. 2701 -- 2716), which conditions future federal highway funding upon adoption of a commercial vehicle driver licensing program that is consistent with federal law.

The primary component of this bill is a definition of "commercial motor vehicle" in sec. 4 of the bill, which adopts federal standards while recognizing the uniqueness of Alaska roadways. The definition continues the tradition of less strict regulation of vehicles on roads not connected to the main state highway system or to heavily-travelled roads. See, e.g., AS 28.10.011 (registration) and AS 28.22.200 (insurance).

By coming into compliance with federal law, the state will maintain its eligibility for continued federal highway funding, and also will become entitled to additional federal money to assist in implementation of the licensing program itself.

I urge your favorable action on this bill.

Sincerely,


Steve Cowper
Governor