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SENATE COMMITTEE REPORT

FURTHER

3/28/89

DATE TURNED INTO OFFICE 4/14/89

Mr. President:

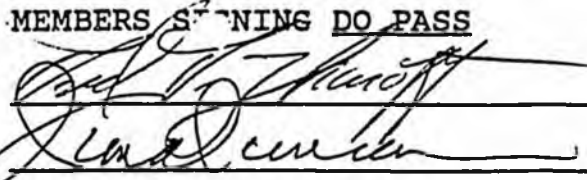
Finance Committee considered SB 92

motor vehicles and related functions of the Department of Public Safety and Department of Commerce and Economic Development; efd and recommended

- replace with CS SB 92 (Gen)) same title
- or adopt _____) new title
- attached amendment(s) and technical title change (HB only)
- _____ letter of intent adopted

- do pass
- do not pass
- no recommendation
- individual recommendations
- further referral to _____

FISCAL NOTE(S) ^{DPS} zero fiscal impact appropriation no FN
 new updated previous
 same as previous fiscal note(s) published _____

MEMBERS SIGNING DO PASS


OTHER RECOMMENDATIONS

Richard Ueh (DO PASS)
 CO-CHAIR
 Chairman signature and recommendation

Committee Backup attached

John B. Boy CO-CHAIR
 ON PASS

40 SFC 4-14-89

STATE OF ALASKA
1989 LEGISLATIVE SESSION

BILL VERSION: CSSB 92 (Fin)
PUBLISH DATE: _____

FISCAL NOTE

REQUEST:

Revision Date: 04/14/89 Agency Affected: Public Safety
Title: An Act relating to BRU: Motor Vehicles
identification cards issued
Sponsor: Rules/Governor Component: _____
Requestor: Senate Finance

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

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
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						
FEDERAL FUNDS						
OTHER						
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: (Attach a separate page if necessary)

This bill contains provisions that will improve public service and streamline procedures of DMV. There will be no fiscal impact.

Prepared by: Bill Brown
Division: Motor Vehicles
Approved by Commissioner: D.A.H. Arthur English
Agency: Department of Public Safety

Phone: 465-4335
Date: 04/14/89
Date: 4-14-89

go0289sH
4/13/89
~~Ford~~
Approved
4/14/89

Original sponsor: Rules/Governor

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 92 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to identification cards issued by
7 the Department of Public Safety, motor vehicle regis-
8 tration and registration fees, filing a lien on a
9 motor vehicle, and issuance of handicapped parking
10 permits; and providing for an effective date."

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

12 * Section 1. AS 18.65 is amended by adding a new section to article 3
13 to read:

14 Sec. 18.65.320. CANCELLATION OF IDENTIFICATION CARD. (a) The
15 department shall cancel an identification card if the person receiving
16 the card fails to give the required or correct information in the
17 person's application. Nothing in this section prohibits reapplication
18 by the person or reissuance of the identification card.

19 (b) A person whose identification card has been cancelled shall
20 return the card to the department. Failure to return a cancelled card
21 within 10 days after receiving notice of the cancellation is a vio-
22 lation punishable by a fine of up to \$100.

23 * Sec. 2. AS 28.10.051 is amended to read:

24 Sec. 28.10.051. DEPARTMENT MAY SUSPEND OR REVOKE REGISTRATION.
25 The department may suspend or revoke the registration of a vehicle,
26 the certificate of registration or registration plates for a vehicle,
27 or a special permit when

28 (1) the department determines that the registration or
29 certificate, plate or permit was fraudulently procured or erroneously

1 issued;

2 (2) the department determines that a registered vehicle is
3 mechanically unsafe to be driven or moved on a highway, vehicular way
4 or area, or other public property in this state and the vehicle has
5 been seized or impounded under AS 28.05.091;

6 (3) a registered vehicle has been scrapped, dismantled or
7 destroyed beyond repair;

8 (4) the department determines that a required fee or tax
9 has not been paid and the fee or tax is not paid upon reasonable
10 notice and demand;

11 (5) a registration plate, permit, or certificate is know-
12 ingly displayed upon a vehicle other than the vehicle for which is-
13 sued;

14 (6) the department determines that the owner of a vehicle
15 has committed an offense under this chapter involving the registration
16 or the certificate, plate, or permit to be suspended or revoked;

17 (7) the vehicle has been reported to the department as
18 stolen or unlawfully converted; [OR]

19 (8) the department is otherwise required to do so under the
20 laws of this state; or

21 (9) the department determines that the vehicle owner has
22 violated the requirements of AS 28.10.146 or 28.10.147.

23 * Sec. 3. AS 28.10.108(b) is amended to read:

24 (b) Subject to the provisions of (f) of this section, a vehicle
25 subject to registration

26 (1) under AS 28.10.011 and 28.10.421(b)(3) and (4) and
27 (c)(1) - (4) shall have its initial registration, and may have its
28 annual registration, renewed during the month of December;

29 (2) under AS 28.10.181, 28.10.411 and 28.10.421(d)(3) [,

1 (6)] and (9) shall have its initial registration, and may have its
2 annual registration, renewed during the month of January.

3 * Sec. 4. AS 28.10 is amended by adding new sections to read:

4 Sec. 28.10.146. REGISTRATION OF INTERSTATE RENTAL TRUCKS. (a)
5 Notwithstanding any other registration requirement of this chapter, a
6 fleet rental truck owner or authorized representative shall register a
7 percentage of the total fleet as determined under this subsection, and
8 shall pay the fees and taxes required by this chapter. The percentage
9 of fleet rental trucks required to be registered is equal to the total
10 number of miles that all trucks in the rental fleet were driven in
11 this state during a calendar year or other period established by the
12 department by regulation, divided by the total number of miles that
13 all trucks in the rental fleet were driven in all states and the
14 District of Columbia during that period.

15 (b) When applying for registration under (a) of this section,
16 the fleet rental owner or authorized representative shall file with
17 the department a certified report containing verifiable data, report-
18 ing

19 (1) the total number of miles operated by all of the trucks
20 in the rental fleet in all states and the District of Columbia during
21 the preceding calendar year or other period specified by the depart-
22 ment;

23 (2) the total number of miles operated in this state by all
24 of the trucks in the rental fleet during the preceding calendar year
25 or other period specified by the department; and

26 (3) other fleet rental truck registration information that
27 the department may require.

28 (c) A fleet rental owner or authorized representative whose
29 application for registration under this section has been accepted by

1 the department shall preserve records of the period on which the
2 application was based for four years. Upon request of the department,
3 the fleet rental owner or authorized representative shall

4 (1) provide records preserved under this subsection to the
5 department for audit; or

6 (2) pay the cost of an audit conducted by a representative
7 of the department at the office of the owner.

8 (d) After compliance with this section, all trucks identified as
9 part of the rental fleet, and currently registered in any state or in
10 the District of Columbia, may operate in this state.

11 (e) If the department determines that the fleet rental owner or
12 authorized representative has not registered fleet rental trucks as
13 required by this section, the department may suspend or revoke a
14 registration previously issued, and may deny future fleet rental
15 registration under (a) of this section, until the owner or authorized
16 representative has complied with this section. If registration under
17 (a) of this section has been suspended, revoked, or denied, all the
18 owner's fleet rental trucks present in the state must be registered
19 under applicable state law.

20 (f) A fee or tax paid as a result of registration required under
21 this section does not satisfy or offset other fees or taxes levied by
22 the state or a political subdivision in connection with the ownership
23 or operation of fleet rental trucks.

24 (g) In this section, "fleet" means a fleet of 10 or more rental
25 trucks that are rented or offered for rent without a driver.

26 Sec. 28.10.147. REGISTRATION OF INTERSTATE RENTAL TRAILERS. (a)
27 Notwithstanding any other registration requirement of this chapter, a
28 fleet rental trailer owner or authorized representative shall register
29 the average number of trailers present in this state as calculated

1 under this subsection, and shall pay the fees and taxes required by
2 this chapter. The average number of trailers is equal to the total
3 number of trailers in the fleet that were present at any time in the
4 state during a calendar year or other period established by the de-
5 partment by regulation, divided by the number of calendar months in
6 the period.

7 (b) When applying for registration of trailers as required under
8 (a) of this section, the fleet rental owner or authorized representa-
9 tive shall file with the department a certified report containing
10 verifiable data as to the average number of trailers that were present
11 at any time in the state for the previous calendar year or other
12 period specified by the department.

13 (c) A fleet rental owner or authorized representative whose
14 application for registration under this section has been accepted by
15 the department shall preserve records of the period on which the
16 application was based for four years. Upon request of the department,
17 the fleet rental owner or authorized representative shall

18 (1) provide records preserved under this subsection, to the
19 department at its office for audit; or

20 (2) pay the cost of an audit conducted by a representative
21 of the department at the office of the owner.

22 (d) After compliance with this section, all trailers identified
23 as part of the rental fleet, and currently registered in any state or
24 in the District of Columbia, may operate in this state.

25 (e) If the department determines that the fleet rental owner or
26 authorized representative has not registered fleet rental trailers as
27 required by this section, the department may suspend or revoke a
28 registration previously issued, and may deny future registration under
29 (a) of this section, until the owner has complied with this section.

1 If registration under (a) of this section has been suspended, revoked,
2 or denied, all the owner's fleet rental trailers present in the state
3 must be registered under applicable state law.

4 (f) A fee or tax paid as a result of registration required under
5 this section does not satisfy or offset other fees or taxes levied by
6 the state or a political subdivision in connection with the ownership
7 or operation of fleet rental trailers.

8 (g) In this section, "fleet" means a fleet of 10 or more rental
9 trailers that are rented or offered for rent for personal use, not for
10 the transportation of persons or property for hire or other commercial
11 use, and includes a boat trailer, baggage trailer, box trailer, utili-
12 ty trailer, house trailer, or travel trailer.

13 * Sec. 5. AS 28.10.381 is repealed and reenacted to read:

14 Sec. 28.10.381. FILING A LIEN OR ENCUMBRANCE. (a) A lien or
15 other encumbrance on a vehicle may be filed by delivering to the
16 department

17 (1) a manufacturer's certificate of origin or an existing
18 certificate of title;

19 (2) an application for a new certificate of title, signed
20 by the registered owner and containing the name and address of any
21 lienholder and the date of the lienholder's interest;

22 (3) applicable filing fees required by law; and

23 (4) other documents or information required by the depart-
24 ment.

25 (b) Upon approval of the application, the department shall send
26 to the person holding a lien or other encumbrance a new certificate of
27 title which displays the name of the owner and indicates the existence
28 of the lien or other encumbrance.

29 * Sec. 6. AS 28.10.421(b) is amended to read:

1 (b) The annual registration fees under this subsection are im-
2 posed within the following classifications for:

3 (1) a passenger vehicle or motor home not used or main-
4 tained for the transportation of persons or property for hire or for
5 other commercial use.....\$35;

6 (2) a pick-up truck or a van not exceeding 6,000 pounds
7 unladen weight and not used or maintained for the transportation of
8 persons or property for hire or for other commercial use.....\$40;

9 (3) a taxicab.....\$70;

10 (4) a motor bus with a seating capacity for 20 or more
11 persons and used exclusively for commercial purposes in the transport-
12 ing of visitors or tourists.....\$85;

13 (5) a motorcycle or a motor-driven cycle.....\$20;

14 (6) a [TWO- OR FOUR-WHEELED] trailer not used or maintained
15 for the transportation of persons or property for hire or for other
16 commercial use, including, but not limited to, a boat trailer, baggage
17 trailer, box trailer, utility trailer, [OR] house trailer, travel
18 trailer, or a trailer rented or offered for rent.....\$ 5.

19 * Sec. 7. AS 28.10.495(a) is amended to read:

20 (a) Upon application by a disabled or medically handicapped
21 person, or by an organization that transports disabled or medically
22 handicapped persons, the department shall issue to the applicant,
23 without charge, a special permit bearing the control number of the
24 applicant. The permit issued under this section, when displayed in
25 the front windshield of a parked or standing vehicle, shall provide
26 for special consideration by the public with respect to the parking or
27 standing in designated spaces of a vehicle that [WHICH] is being used
28 for the transportation of a [THE] disabled or medically handicapped
29 person.

1 * Sec. 8. AS 28.10.495(b) is amended to read:

2 (b) A person is not entitled to use the special permit provided
3 for in (a) of this section except when providing transportation for a
4 [THE] disabled or handicapped person [WITH RESPECT TO WHOM THE PERMIT
5 WAS ISSUED]. Upon the death of a [THE] disabled or handicapped person
6 to whom a special permit has been issued, the special permit shall be
7 returned to the department. If an organization to which a special
8 permit has been issued ceases transporting disabled or handicapped
9 persons, or ceases operating, it shall return the special permit to
10 the department.

11 * Sec. 9. AS 28.10.181(g) and 28.10.421(d)(6) are repealed.

12 * Sec. 10. This Act takes effect January 1, 1990.
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STATE OF ALASKA

DEPARTMENT OF PUBLIC SAFETY

OFFICE OF THE COMMISSIONER

STEVE COWPER, GOVERNOR

P.O. BOX N
JUNEAU, ALASKA 99811-1200
PHONE: 465-4322

April 12, 1989

The Honorable Rick Uehling
Co-Chair, Finance Committee
Alaska State Senate
P.O. Box V
Juneau, AK 99811

RE: SB 92 An Act Relating to
Motor Vehicles

Dear Senator Uehling:

At the hearing in Senate Finance last week regarding SB 92, a bill making several amendments to the motor vehicle laws, committee members expressed concerns regarding the fiscal impact of transferring the responsibility for licensing motor vehicles dealers from the Department of Public Safety to the Department of Commerce and Economic Development, Division of Occupational Licensing. Members of the Administration met this week to discuss those sections of the bill dealing with the registration of motor vehicle dealers. A decision was made not to continue to seek transfer of that function to the Department of Commerce and Economic Development at that time. Rather than raise the motor vehicle dealer fees substantially to make the transfer cost neutral, the program will remain with the Department of Public Safety.

We ask that the committee consider the adoption of a Finance Committee Substitute for SB 92 deleting the sections of the State Affairs Committee Substitute which address the registration of motor vehicle dealers. To do this, sections 1 through 7, 16, and the reference in Section 17 to AS 28.05.011(10) should be deleted.

We apologize for any inconvenience caused to the committee. Mr. Bill Brown, Chief of our Driver Services Section, will

The Honorable Rick Uehling

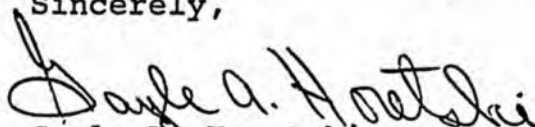
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April 12, 1989

be glad to work with your staff to develop a Finance
Committee Substitute.

Please let me know if I can provide any further information.

Sincerely,


Gayle A. Horetski
Deputy Commissioner

cc: Shari Kochman
Legislative Assistant
Office of the Governor

Linda Wild
Special Assistant
Department of Commerce
and Economic Development

Bill Brown
Chief, Drivers Services
Division of Motor Vehicles
Department of Public Safety

STEVE COWPER
GOVERNOR



592

STATE OF ALASKA
| OFFICE OF THE GOVERNOR
JUNEAU

January 9, 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 motor vehicles and related functions of the Department of Public Safety (DPS) and the Department of Commerce and Economic Development (DCED), which makes a number of needed changes in state law.

The bill contains several provisions that the division of motor vehicles, in DPS, believes will improve its service to the public or streamline its procedures. A section-by-section description of the bill follows.

Sections 1 -- 6 and 13 of the bill would require motor vehicle dealers to register with DCED rather than with DPS. Existing law (AS 08.66.010 -- 08.66.090) requires a dealer in motor vehicles, trailers, or semi-trailers to register with DPS. The dealer is required to pay fees and post a bond. However, the licensing of a business, even one dealing with motor vehicles, is a more appropriate function of DCED. That department has the staff and expertise to provide appropriate clerical and administrative support, in addition to enforcement and compliance personnel. The division of motor vehicles, in DPS, has no enforcement or compliance personnel in this area, and provides only limited clerical support for this program. Transfer of the registration requirement would also be more convenient for the dealers, who already are required to obtain a business license from the Department of Commerce and Economic Development. Transfer of this function would also free up motor vehicles personnel to perform other tasks more directly related to vehicle and operator licensing functions.

Section 7 of the bill provides for the cancellation of identification cards issued under AS 18.65.310. The present law does not authorize DPS to cancel the card if it is later determined that it should not have been issued due to fraud or for some other reason. Identification cards are becoming more and more popular, and fraudulently obtained cards are becoming more common. The department needs statutory authority to cancel those cards under appropriate circumstances. This section also provides for a possible \$100 fine for failure to return a cancelled card to DPS.

Sections 8 and 9 provide for the registration of interstate rental trucks and trailers. Alaska statutes do not address the issue of registration of trucks or trailers involved in an interstate rental business. Before 1984, there was no need for this type of legislation because no company offered this type of service to Alaska. However, in the past five years two major companies have started rental operations in the state. These companies typically offer one-way rentals of both trucks and trailers, and during a typical year the vehicles might operate in a number of different states. The entire rental fleet is very mobile and the vehicles are not based in any one state. The time or miles spent in any state by any particular vehicle would be difficult to calculate, as these vehicles are used in uncontrolled private applications.

Unlike most other states, Alaska does not have a statute that allows registration of this type of vehicle other than on a full commercial vehicle basis. Paying full fees each time a new vehicle comes into the state for a short period would be overly burdensome and could possibly eliminate a valuable commercial service. To avoid this result, the division of motor vehicles has entered into agreements with interstate rental companies to register and pay fees on a fair share of their total fleet. There is no clearly defined authority for these agreements, however, and they are entirely voluntary.

The statutory scheme in this bill is similar to that used in most other states, and would allow a firm engaged in interstate vehicle rental business to register and pay fees in Alaska on a fair proportion of its vehicle fleet.

Section 10 eliminates the requirement that motor vehicle lien documents be filed with the division of motor vehicles. When a person applies for a vehicle title in Alaska, current AS 28.10.381 requires that a copy of the document creating or evidencing a lien be filed with DPS. This requirement serves no useful purpose for the state or the public, and should be eliminated. There is no standard or legal requirement for the format of a lien document, so each one must be reviewed carefully as the vehicle title is processed; this delays processing. The additional document also increases

microfilm costs. If the requirement to submit the lien document were eliminated, the same amount of protection could be afforded to both the public and lienholders by having the lienholder's name and address on the title application serve as evidence of the lien. Applicants are acknowledging the lien by signing the application under penalty of perjury. Most other states are successfully using this system. Adoption of this amendment would free up staff time that could be devoted to other areas.

The amendments in sec. 11 allow for registration of a broader range of non-commercial trailers. Current AS 28.10.421(b) allows only two- and four-wheeled trailers to be registered in the non-commercial category. Travel trailers with six wheels are becoming increasingly common. One-wheel trailers are also still marketed. A common-sense policy dictates that these non-commercial one- and six- (or more) wheeled trailers be registered on the same basis as the two- and four-wheeled trailers.

Section 12 allows the issuance of handicap parking permits to organizations. Current AS 28.10.495 allows issuance of a special permit to a disabled or medically handicapped person. The permit, when displayed in the front windshield of a motor vehicle, allows the use of designated parking spaces. The permit is intended for those handicapped individuals who are transported by others in vehicles that do not have a handicap license plate.

As currently written, the statute only allows issuance of the permit to an individual; however, there are many organizations that transport disabled or handicapped persons. The amendments in sec. 12 authorize the issuance of permits to these organizations, allowing them to use special parking spaces.

Section 14 provides two needed repeals. The first is of AS 28.05.011(10), which relates to D'S registration of motor vehicle, trailer, and semi-trailer dealers. That function is transferred to the Department of Commerce and Economic Development by secs. 1 -- 6 of the bill.

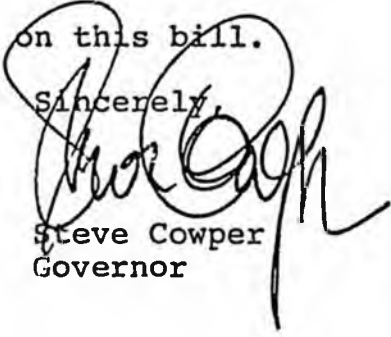
In addition, sec. 14 repeals the current law creating "foreign consul" license plates. AS 28.10.181(g) allows the state to issue special license plates for vehicles owned by a consular office of a foreign government. In Alaska only two consular offices are truly official foreign missions: the Japanese and Korean missions. There are several other "honorary" consuls in the state, however, and consular plates have been issued to them in the past.

The United States Department of State, Office of Foreign Missions, through the Diplomatic Motor Vehicle Office, is now responsible for issuing drivers' licenses, motor vehicle registrations, and license plates to qualified, accredited foreign mission personnel and their family members throughout the country. The State Department has asked Alaska to stop issuing consular plates to "honorary consuls." With the State Department issuing all required driver and motor vehicle licenses for official consular officers, AS 28.10.-181(g) is unnecessary, and should be repealed.

Finally, sec. 15 provides for an effective date of January 1, 1990. Because this bill relates to a large number of functions of the Department of Public Safety, the most convenient effective date is the beginning of the calendar year. This will allow the department time to get needed procedures and forms into place, and to train personnel around the state.

I urge your favorable action on this bill.

Sincerely,



Steve Cowper
Governor

STATE OF ALASKA
1989 LEGISLATIVE SESSION

BILL VERSION: CSSB 92 (SA)
PUBLISH DATE: 3/9/89

FISCAL NOTE

REQUEST:

Revision Date: 03/09/89
Title: An Act relating to motor vehicles...
Sponsor: Senate Rules
Requestor: Senate State Affairs

Agency Affected: Public Safety
BRU: Motor Vehicles
Component: Vehicle Services

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

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES	-0-	(1.5)	(3.0)	(3.0)	(3.0)	(3.0)
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	(1.5)	(3.0)	(3.0)	(3.0)	(3.0)

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-	(1.5)	(3.0)	(3.0)	(3.0)	(3.0)
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	(1.5)	(3.0)	(3.0)	(3.0)	(3.0)

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: (Attach a separate page if necessary)

This bill contains several provisions that will improve public service and streamline procedures of DMV. Part of the bill includes the transfer of the motor vehicle dealer license program from DMV to Division of Occupational Licensing in the Department of Commerce & Economic Development. A Motor Vehicle Rep III, Range 10, currently spends approximately 3.5 hours per week on this program. 3.5 hours per week equals 1.12 months per year. $1.12 \times 2,640$ (monthly salary) = \$2,957. With the effective date of January 1, 1990, one-half year funds of what it cost DMV to administer the program are transferred in FY90, and full year funding thereafter.

Prepared by: Bill Brown
Division: Motor Vehicles

Phone: 465-4335
Date: 03/09/89

Approved by Commissioner: P. A. English
Agency: Department of Public Safety

Date: 3-9-89

STATE OF ALASKA
1989 LEGISLATIVE SESSION

BILL VERSION: SB 92
PUBLISH DATE: 3/9/89

FISCAL NOTE

REQUEST:

Revision Date: 02/17/89
Title: An Act relating to motor vehicles...
Sponsor: Senate Rules
Requestor: Senate State Affairs

Agency Affected: Public Safety
BRU: Motor Vehicles
Component: Vehicle Services

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

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES	-0-	(1.5)	(3.0)	(3.0)	(3.0)	(3.0)
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	(1.5)	(3.0)	(3.0)	(3.0)	(3.0)

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-	(1.5)	(3.0)	(3.0)	(3.0)	(3.0)
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	(1.5)	(3.0)	(3.0)	(3.0)	(3.0)

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: (Attach a separate page if necessary)

This bill contains several provisions that will improve public service and streamline procedures of DMV. Part of the bill includes the transfer of motor vehicle dealer license program from DMV to Division of Occupational Licensing in the Department of Commerce & Economic Development. A Motor Vehicle Rep III, Range 10, currently spends approximately 3.5 hours per week on this program. 3.5 hours per week equals 1.12 months per year. $1.12 \times 2,640$ (monthly salary) = \$2,957. with the effective date of January 1, 1990, one-half year funds of what it cost DMV to administer the program are transferred in FY90, and full year funding thereafter.

Jm
2/16/89

Prepared by: Bill Brown
Division: Motor Vehicles

Phone: 465-4335
Date: 02/17/89

Approved by Commissioner: J. H. Arthur English
Agency: Department of Public Safety

Date: 2-17-89

STATE OF ALASKA
1989 LEGISLATIVE SESSION

BILL VERSION: CSSB 92 (SA)
PUBLISH DATE: 3/28/89

FISCAL NOTE

REQUEST:

Revision Date: March 20, 1989 Agency Affected: Commerce & Econ. Dev.
Title: An Act relating to motor vehicles and functions of the Dept. of Public Safety. BRU: Occupational Licensing
Sponsor: Rules Committee/Governor Components: Administration
Requester: Senate State Affairs

EXPENDITURES / REVENUES : (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES	0	7.0	13.9	13.9	13.9	13.9
TRAVEL	0	.3	.6	.6	.6	.6
CONTRACTUAL	0	2.0	4.1	4.1	4.1	4.1
SUPPLIES	0	.2	.3	.3	.3	.3
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	9.5	18.9	18.9	18.9	18.9

CAPITAL	0	0	0	0	0	0
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REVENUE	0	5.0	16.2	13.3	13.3	13.3
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FUNDING: (Thousands of dollars)

GENERAL FUND	0	4.5	5.6	5.6	5.6	5.6
FEDERAL FUNDS						
OTHER (GF/PR)	0	5.0	13.3	13.3	13.3	13.3
TOTAL	0	9.5	18.9	18.9	18.9	18.9

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: (Attach a separate page if necessary.)

See attached explanation.

Prepared by: Jennifer Strickler, Administrative Officer
Division: Occupational Licensing

Phone: 465-2144
Date: 3/28/89

Approved by Commissioner: Larry Mercutreff, Commissioner
Agency: Dept of Commerce & Economic Development

Phone: 465-2500
Date: 3/28/89

Distribution (by preparer):

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

ANALYSIS:

*Expenditures: The transfer of the motor vehicle dealer license program to the Division of Occupational Licensing is being made without the transfer of any personnel from the Division of Motor Vehicles, Department of Public Safety, to support the transfer and therefore requires this fiscal note. The Division of Motor Vehicles is reducing its personal services costs by \$1.5 in FY 90 and \$3.0 thereafter to assist in the defrayment of the cost of running the dealership licensing program. See fiscal note provided by the Department of Public Safety.

This fiscal note is based on the assumption that once the program is placed in Occupational Licensing, the program will be responsible for a portion of the administrative costs of the division. Information obtained regarding the motor vehicle dealer license program indicates that there are approximately 650 licensees; however, many are inactive. This fiscal note is therefore based on 265 current licensees, as provided by the Division of Motor Vehicles. Based on 265 licensees, motor vehicle dealers will be responsible to cover .097% of the division's administrative costs in FY 90. The .097% is derived by dividing the anticipated number of licensees (265) by the total number of licensees (27,210), not including business licensing. Only half of the anticipated costs are shown for FY 90 since transfer of the motor vehicle dealer license program is not expected to occur until January 1, 1990.

**Revenues: In FY 90, approximately 50 motor vehicle dealer licensees are anticipated to renew their biennial license. Based on a biennial license/renewal fee of \$100, revenues collected will total \$5.0 (50 x \$100) in the first year. This will require \$4.5 to be supplemented by the general fund (\$9.5 in expenses minus \$5.0 in revenue).

In FY 91, the division will renew half of the remaining 215 licensees for a one year period only, to place the program on a staggered renewal schedule, and half for two years.

Beginning in FY 92, the entire program will be on a staggered renewal schedule whereby half of the licensees will renew their biennial license each year.

STATE OF ALASKA
1989 LEGISLATIVE SESSION

BILL VERSION: SB 92
PUBLISH DATE: 3/9/89

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Commerce & Econ. Dev.
Title: An Act relating to motor vehicles and functions of the Dept. of Public Safety. BRU: Occupational Licensing
Sponsor: Rules Committee Components: Administration
Requester: Governor

EXPENDITURES / REVENUES : (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES	0	7.0	13.9	13.9	13.9	13.9
TRAVEL	0	.3	.6	.6	.6	.6
CONTRACTUAL	0	2.0	4.1	4.1	4.1	4.1
SUPPLIES	0	.2	.3	.3	.3	.3
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	9.5	18.9	18.9	18.9	18.9

CAPITAL	0	0	0	0	0	0
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REVENUE	0	2.5	5.4	13.3	0	13.3
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FUNDING: (Thousands of dollars)

GENERAL FUND	0	7.0	13.5	5.6	18.9	5.6
FEDERAL FUNDS						
OTHER (GF/PR)	0	2.5	5.4	13.3	0	13.3
TOTAL	0	9.5	18.9	18.9	18.9	18.9

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary.)

See attached for explanation.

*Revenues are based on numbers provided by the Division of Motor Vehicles.

Prepared by: Jennifer Strickler, Administrative Officer Phone: 465-2144
Division: Occupational Licensing Date: March 7, 1989

Approved by Commissioner: Larry Mercurieff, Commissioner Phone: 465-2500
Agency: Dept. of Commerce & Economic Development Date: 3/7/89

Distribution (by preparer):

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

ANALYSIS:

*Expenditures: The transfer of the motor vehicle dealer license program to the Division of Occupational Licensing is being made without the transfer of any personnel from the Division of Motor Vehicles, Department of Public Safety, to support the transfer and therefore requires this fiscal note. The Division of Motor Vehicles is apparently transferring \$3.0 in personal services to assist in the defrayment of the cost of running the dealership licensing program.

This fiscal note is based on the assumption that once the program is placed in Occupational Licensing, the program will be responsible for a portion of the administrative costs of the division. Information obtained regarding the motor vehicle dealer license program indicates that there are approximately 650 licensees; however, many are inactive. This fiscal note is therefore based on 265 current licensees, as provided by the Division of Motor Vehicles. Based on 265 licensees, motor vehicle dealers will be responsible to cover .097% of the division's administrative costs in FY 90. The .097% is derived by dividing the anticipated number of licensees (265) by the total number of licensees (27,210), not including business licensing. Only half of the anticipated costs are shown for FY 90 since transfer of the motor vehicle dealer license program is not expected to occur until January 1, 1990.

*Revenues: In FY 90, approximately 50 motor vehicle dealer licensees are anticipated to renew their biennial license. Based on a biennial license/renewal fee of \$50, revenues collected will total \$2.5 (50 x \$50) in the first year. This will require \$7.0 to be supplemented by general funds.

In FY 91, the division will renew the remaining 215 licensees for a one year period only, in order to place all motor vehicle dealer renewals on the same biennial cycle, to parallel the biennial renewal scheme followed by all other licensing areas administered by the division. Therefore, 215 licensees are expected to be renewed for one year (215 x \$25), totaling \$5.4. FY 91 will require a general fund supplemental of \$13.5.

Effective in FY 92, all licensees will be placed on the same biennial renewal cycle. The 265 licensees to be renewed in FY 92 is anticipated to generate \$13.3 in licensing fees (265 x \$50). This year will require a general fund supplemental of \$5.6.

During the nonrenewal years, the program must be supplemented entirely by general funds.

Licensing fees will have to be reassessed for possible increase in order for the program to be supported by its fees. An increase in the licensing fee to \$100 every two years will cover the expense of the program and not require a general fund appropriation.