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SENATE COMMITTEE REPORT

DATE: 4/21/92

FURTHER: Resources Finance

DATE TURNED INTO OFFICE: 5/10/92

L&C considered CS FOR HB 574 (FINANCE) am

Relating to the finances of state government, charges & fees of state services.

CS coming  
Kshuler  
5/10/92  
\$ FNs coming

and recommends:

[ ] replace with S CS CS HB 574 (LHC)

or [ ] adopt previous CS

[ ] attaches amendment(s)

[ ] same title  
[x] new title  
[ ] technical title change (HB only)

[ ] adopts Letter of Intent

[ ] further referral to the

[ ] do pass

[ ] do not pass

[ ] no recommendation

[x] individual recommendations

NEW FISCAL NOTES: Dept/Date

[ ] zero fiscal notes

[ ] fiscal notes

[ ] appropriation--no fiscal note

PREVIOUS FISCAL NOTES: Dept/Date

[ ] zero fiscal notes

[ ] fiscal notes

DO PASS:

OTHER RECOMMENDATIONS:

Chair will do no pass  
Should not pass

True clearance - do not pass new fees  
Chair: Signature and Recommendation or taxes this year.

FISCAL NOTE

No. 3

Bill Version: CSHB 574 (FIN)

(H) Publish Date: 4/14/92

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

Revision Date: \_\_\_\_\_ Department Affected: NATURAL RESOURCES

Title: Act Relating to Financial BRU: Park & Recreation Management

Administrator of State Government ... Component: Park Management

Sponsor: \_\_\_\_\_

Requestor: \_\_\_\_\_

COMPONENT SERIAL NO. 

0	4	5	2
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EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	38.2	19.0	15.0	15.0		
TRAVEL						
CONTRACTUAL	27.0	15.0	12.0	12.0		
SUPPLIES	10.8	6.0	5.0	5.0		
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	76.0	40.0	32.0	32.0	0	0

CAPITAL						
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REVENUE	150.0	200.0	300.0	400.0	400.0	400.0
FUND SOURCE:	GF/PRGM 1005	GF/PRGM 1005	GF/PRGM 1005	GF/PRGM 1005	GF/PRGM 1005	GF/PRGM 1005

FUNDING: (Thousands of Dollars)

GENERAL FUND	76.0	40.0	32.0	32.0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER FUND SOURCE:	0	0	0	0	0	0
TOTAL	76.0	40.0	32.0	32.0	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

Estimate of current year impact: \_\_\_\_\_

ANALYSIS: (Attach a separate page if necessary.)

SEE ATTACHED PAGE

Prepared By: David Steppens Phone: 762-2653

Division: Park & Outdoor Recreation Date: April 6, 1992

Approved by Commissioner: \_\_\_\_\_ Date: 4/7/92

Agency: \_\_\_\_\_

COMMITTEE COPY

FISCAL ANALYSIS  
HB 574

The state park fee program to be funded by this fiscal note consists of the design, construction, and installation of fee collection stations at approximately 44 locations in the state park system. Each fee station is estimated to cost \$4,000, including labor, supplies, and contractual expenses.

The fee stations would be installed in phases, over a four year period. Eighteen stations would be installed in FY93, and ten stations installed in FY94. Eight stations would be installed in both FY95 and FY96. First year costs include design and production of fee collection envelopes and annual pass decals, as well as design and production of standard drawings and plans for the fee stations. These one-time costs are estimated at \$4,000.

No new positions would be required by this legislation. Additional administrative and management costs would be absorbed by existing staff.

The estimate of revenue to be produced by this bill is based on visitation records for selected park units, as well as financial records for the existing camping fee program. In the fourth year of implementation, this new fee program is expected to generate annual revenues of approximately \$400,000. Potential revenues to the state from this program exceed the state's costs in each year of the four year implementation period. In subsequent years, these user fees would help offset increased park maintenance and operating costs as well as possible general fund budget reductions. The net financial effect of this program would be positive, with fee revenues significantly greater than operating costs.

FISCAL NOTE

No. 2

Bill Version: CSHB 574(FIN)

(H) Publish Date: 4/14/92

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

Revision Date: 4/8/92

Department Affected: Public Safety

Title: "An act relating to financial administration of state government."

BRU: Motor Vehicles

Sponsor: House Finance

Component: Field Services

Requestor: House Finance

COMPONENT SERIAL NO. 

5	0	2
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EXPENDITURES/REVENUES: (Thousands of Dollars) (inflation not included)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	140.8	281.6				
TRAVEL						
CONTRACTUAL	47.8					
SUPPLIES						
EQUIPMENT	64.0					
LAND & STRUCTURES						
GRANTS. CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>252.6</b>	<b>281.6</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

CAPITAL						
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REVENUE						
FUND SOURCE: GF	13,208.0	26,415.1	27,207.6	31,000.0	34,930.0	35,977.9

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER Prog. Rec. FUND SOURCE: 1005	252.6	281.6	0	0	0	0
<b>TOTAL</b>						

POSITIONS:

FULL-TIME	8	8	0	0	0	0
PART-TIME						
TEMPORARY						

Estimate of current year impact: \_\_\_\_\_

ANALYSIS: (Attach a separate page if necessary.)  
See attached.

Prepared By: Charles R. Hosack Phone: 269-5559  
 Division: Motor Vehicles Date: 4/8/92  
 Approved by Commissioner: Richard L. Burton  
 Agency: Department of Public Safety Date: 4/8/92

**COMMITTEE COPY**

#### REVENUE

This bill is intended to generate increased revenues by increasing most fees collected by the Division of Motor Vehicles. This includes vehicle registration fees, driver license fees, ID card fees, and vehicle title and lien fees. The total additional revenue generated is estimated to be \$26,415,095; the detail for this is shown on the attached sheet. This revenue will be deposited into the general fund, however a portion of the fees will be used as program receipts to fund the expenses incurred as a result of this bill. AS 28.10.421(g) allows 3% of registration fees to be used for administration of the registration program; 3% of the increased registration revenue is \$565,897. AS 28.15.271(d) allows all of driver license fee to be used for program administration; the increased driver license revenue is \$2,438,729.

The total of \$3,004,626 that is available for use is greater than what is needed to fund the costs associated with this bill, and the remainder will be placed in the general fund. This analysis is based on the assumption that the Governor's original budget request for the Division of Motor Vehicles will be approved. This request reflects the additional needs beyond that budget level. The additional revenue in this bill is collected in individual transactions at public service offices around the state. There will be a multitude of problems and complaints if the public is charged significantly higher fees yet must wait longer in line to pay these fees because the agency collecting the fees is not adequately funded.

#### EXPENDITURE

The increased fees in this bill will affect virtually every person in the state over the age of 14 and every business that owns a vehicle. Any increase in fees will increase the workload at the public offices because the customers will complain about the higher costs. It takes employee time to listen and respond to the complaints and this increases the time needed to complete each transaction. These fee increases are relatively large, and they involve fees that have remained unchanged for many years, so the reaction is expected to be significant. Based on the Division's experience, the time needed to handle the complaints will increase the Division's workload by 5-8% and therefore the public office staffing will be increased by 8% for the first two years of the increased fees to maintain service levels. These employees will be placed at offices where the impact will be the greatest. It is hoped that, once the public becomes familiar with the increases, the public reaction will level off and the need for the additional positions will decrease.

DETAIL

PERSONNEL

	FY93
8 Motor Vehicle Rep I/II (range 8/9)	\$140.8

CONTRACTUAL

Programming (150 hrs @ \$75)	\$ 11.3
Terminal network costs (\$1500 ea.)	\$ 12.0
Printing - SOP manuals	\$ 10.0

EQUIPMENT

8 Workstations with terminal and printer	\$ 64.0
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TOTAL	<u>\$252.6</u>
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CONFIDENTIAL

Position Title <b>Motor Vehicle Representative I/II</b>			Number of Positions <b>8</b>	Range/Step <b>3/9</b>	Bargaining Unit <b>GGU</b>
Time Status <b>PFT</b>	Staff Months <b>6 each</b>		Location <b>Statewide</b>	Election District <b>Statewide</b>	
Type of Expenditure			Justification		
			These positions will perform all duties associated with registration, title, and driver license work. Any increases in fees increase the workload in the public service offices of the Division, since it is well known that the public does not like or gladly accept fee increases. DMV employees will receive the public complaints which take time and result in increased costs. The time it takes to hear the complaints decrease services to the public service counter.		
		Amount			
<b>1</b>	<b>2</b>	<b>3</b>			
Salary*	<b>91.2</b>				
Benefits*	<b>49.6</b>				
Premium Pay (Included in Above)					
Other					
<b>Total Personal Services</b>		<b>140.8</b>			
Travel					
Contractual		<b>47.8</b>			
Commodities					
Equipment		<b>64.0</b>			
Other					
<b>Total Cost</b>		<b>252.6</b>			
Funding Source For Total Cost					
Federal Receipts	<b>1002</b>				
G.F. Match	<b>1003</b>				
General Fund	<b>1004</b>				
Program Receipts/GF	<b>1005</b>	<b>252.6</b>			
I-A Receipts	<b>1007</b>				
CIP Receipts	<b>1061</b>				
Other					
* Personal Services Salary and Benefits Costs are from PACS calculations.					

**REQUEST FOR  
NEW POSITION**

AGENCY Department of Public Safety

BRU Motor Vehicles

COMPONENT Field Services

FY 93

Page **4** of **4**

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

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REVENUE PROJECTION WORKSHEET

FOR PROJECTION PURPOSES ONLY. ACTUAL NUMBERS WILL VARY.  
ACCURACY VARIATION <5% USING 1991 COUNTS

Post-It™ brand fax transmittal memo 7671		# of pages >		
To	Nita Hensley		From	Chuck Harsack
Co.		Co.		
Dept.		Phone #		
Fax #		Fax #		

TYPE	COUNT	FEE	CURRENT	NEW FEE	CHANGE	NEW REV	CHANGE
PASSENGER	270658	\$35	\$7,578,424	\$70	\$35	\$15,156,848	\$7,578,424
MOTORHOME < 10K LBS	10000	\$35	\$280,000	\$100	\$65	\$800,000	\$520,000
MOTORHOME > 10K LBS	5000	\$35	\$140,000	\$200	\$165	\$800,000	\$660,000
EXEMPT PASSENGER	965	\$5	\$3,860	\$70	\$65	\$54,040	\$50,180
FREE PASSENGER	3499	\$0	\$0	\$0	\$0	\$0	\$0
SENIOR CITIZEN	14121	\$0	\$0	\$75	\$75	\$847,260	\$847,260
PICKUP/VAN	135075	\$40	\$4,322,400	\$75	\$35	\$8,104,500	\$3,782,100
EXEMPT PICKUP/VAN	1061	\$5	\$4,244	\$75	\$70	\$63,660	\$59,416
FREE PICKUP/VAN	181	\$0	\$0	\$0	\$0	\$0	\$0
MOTORCYCLE	11185	\$20	\$178,960	\$50	\$30	\$447,400	\$268,440
TRAILER	58611	\$5	\$234,444	\$25	\$20	\$1,172,220	\$937,776
EXEMPT TRAILER	294	\$5	\$1,176	\$25	\$20	\$5,880	\$4,704
LOCAL GOVT	3093	\$5	\$12,372	\$5	\$0	\$12,372	\$0
STATE GOVT	685	\$0	\$0	\$0	\$0	\$0	\$0
COMM 0-5000	12749	\$51	\$520,159	\$100	\$49	\$1,019,920	\$499,761
COMM 5-12000	18112	\$86	\$1,246,106	\$200	\$114	\$2,897,920	\$1,651,814
COMM 12-18000	9676	\$156	\$1,207,565	\$300	\$144	\$2,322,240	\$1,114,675
COMM 18000+	5139	\$221	\$908,575	\$400	\$179	\$1,644,480	\$735,905
DEALER 1ST SET	140	\$45	\$5,040	\$100	\$55	\$11,200	\$6,160
DEALER 2CD SET	822	\$25	\$16,440	\$100	\$75	\$65,760	\$49,320
FARM	405	\$35	\$11,340	\$75	\$40	\$24,300	\$12,960
OCC USE	1757	\$15	\$21,084	\$75	\$60	\$105,420	\$84,336
SNOWMACHINE/ORV	4231	\$2.5	\$8,462	5	\$2.5	\$16,924	\$8,462
<b>REGISTRATION TOTALS</b>	<b>563228</b>		<b>\$16,692,189</b>			<b>\$35,555,420</b>	<b>\$18,863,231</b>
TITLE		\$5	\$1,238,507	X	5	\$6,192,535	\$4,954,028
DRIVER LICENSE		\$10	\$1,625,819	X	2.5	\$4,064,548	\$2,438,729
ID CARD		\$5	\$159,107	X	2	\$318,214	\$159,107
HVRT			\$279,611			\$279,611	\$0
HISC			\$2,782,894			\$2,782,894	\$0
MAIL IN REBATE	190000	0	0		\$15	(\$2,850,000)	(\$2,850,000)
<b>GRAND TOTAL</b>			<b>\$22,778,127</b>			<b>\$49,193,222</b>	<b>\$26,415,095</b>

FISCAL NOTE

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

Revision Date: 4/9/92

Department Affected: Fish and Game

Title: An act relating to the finances of  
state government

BRU: Sport Fish/Wildlife Conservation

Component: Sport Fish/Wildlife Conservation

Sponsor: House Finance

Requestor: House Finance

COMPONENT SERIAL NO. 

	4	6	4
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Expenditures/Revenues: (Thousands of Dollars)

4 7 3

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	16.4	16.4	16.4	16.4	16.4	16.4
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	60.0	50.0	50.0	50.0	50.0	50.0
SUPPLIES	3.0	3.0	3.0	3.0	3.0	3.0
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	79.4	69.4	69.4	69.4	69.4	69.4

CAPITAL	0	0	0	0	0	0
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REVENUE FUND SOURCE: 1024	3,211.1	3,252.8	3,247.8	3,307.9	3,387.9	3,476.7
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FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER FUND SOURCE: 1024	79.4	66.4	66.4	66.4	66.4	66.4
TOTAL	79.4	66.4	66.4	66.4	66.4	66.4

POSITIONS:

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

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary.)  
See Attached page

Prepared By: Geron Bruce GB

Phone: 465-4100

Division: Commissioner's Office

Date: 4/9/92

Approved by Commissioner: John Summitt for

Agency: Department of Fish and Game

Date: 4/9/92

\*\*\*\*\*  
FAX TRANSMITTAL MEMO

for, CSH/DBR, Gov. Legis. OSC., & Impacted Agency (ies).

Page 1 of 2

TO: Cecil Collins  
DEPT: House Finance FAX #: 465-2278  
FROM: Geron Bruce PHONE: 465-4100  
CC: \_\_\_\_\_ FAX #: 465-2332

NO. OF PAGES

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COMMITTEE COPY

ANALYSIS (Continued from page 1)

Assumptions: Contractual funding will be for printing and postal costs for the king salmon stamp. Personal services funding will provide a permanent part-time employee for distribution and monitoring of the new king salmon stamp in the licensing section of the department.

Computations: Potential revenues generated by this act are estimated based on current trends in sport fishing, hunting and trapping license sales. A 1.8 percent increase annually for sport fishing license sales, and no increase in hunting or trapping license sales.

ALASKA STATE LEGISLATURE  
HOUSE BILL NO. 574

HISTORY IN THE HOUSE

1992

Read first time and referred to:  
FIN

4/1

4/14

<u>FIN</u>	RPT	CS( <u>FN</u> )	New Title
<u>4</u>	DP	<u>0</u> DNP	<u>5</u> NR <u>1</u> AM
<u>3</u>	FN	OFN	Previous FN

  

	RPT	CS( )	New Title
	DP	DNP	NR AM
	FN	OFN	Previous FN

  

	RPT	CS( )	New Title
	DP	DNP	NR AM
	FN	OFN	Previous FN

4/14 Read second time  
CS( fn ) Adopted

4/14 Amended  
am 7

4/14 Advanced

4/14 Read third time  
4/14 am 8 title

Return to second for specific amendment

4/14 Failed

<u>Failed</u>	EFD Same ___ or
Yeas 15	Yeas
Nays 25	Nays
Excused <u>0</u>	Excused
Absent <u>0</u>	Absent

Intent adopted

4/14 Reconsideration by Navarre

4/15 Reconsideration not taken up

4/15 PASSED ON RECON. clauses

PASSED ON RECON.	EFD Same ___ or
Yeas 22	Yeas 39
Nays 17	Nays <u>0</u>
Excused 1	Excused 1
Absent <u>0</u>	Absent <u>0</u>

Intent adopted

4/15 Reported correctly engrossed  
Signed by Speaker, to the Senate

Kurtis Gray  
Chief Clerk of the House

HISTORY IN THE SENATE

1992

Read first time and referred to:  
LSC, ROS, Fin

4/21

5/10

<u>LSC</u>	RPT( <u>✓</u> )	CS	DP	NR	<u>3</u> DNP	AM
<u>✓</u>	New Title	Same Title				Previous FN
<u>4</u>	FN	OFN				To <u>Resound</u>

  

	RPT( )	CS	DP	NR	DNP	AM
	New Title	Same Title				Previous FN
	FN	OFN				To

  

	RPT( )	CS	DP	NR	DNP	AM
	New Title	Same Title				Previous FN
	FN	OFN				To

  

	RPT( )	CS	DP	NR	DNP	AM
	New Title	Same Title				Previous FN
	FN	OFN				To

Rules Calendar( ) CS AM Other

New Title Same Title Previous FN

FN OFN

Read second time

CS Adopted ( ) New Title

Amended Advanced

Read third time

Letter of Intent adopted

Return to second for specific amendment

PASSED	EFD Same ___ or
Yeas	Yeas
Nays	Nays
Excused	Excused
Absent	Absent

Reconsideration

Reconsideration not taken up

PASSED	EFD Same ___ or
Yeas	Yeas
Nays	Nays
Excused	Excused
Absent	Absent

Reported correctly engrossed  
Signed by President, to the House

Secretary of the Senate

HOUSE-SENATE HISTORY Continued

19

Received from the Senate \_\_\_\_\_

Concur in Senate amendment  
 Y \_\_\_ N \_\_\_ E \_\_\_ A \_\_\_  
 \_\_\_\_\_ Efd same or Y \_\_\_ N \_\_\_ E \_\_\_ A \_\_\_

Failed to concur Senate amendment, ask Senate recede  
 Y \_\_\_ N \_\_\_ E \_\_\_ A \_\_\_

Senate failed to \ receded from amendment  
 Y \_\_\_ N \_\_\_ E \_\_\_ A \_\_\_

CC appointed by House \_\_\_\_\_ Chair

\_\_\_\_\_

CC appointed by Senate \_\_\_\_\_ Chair

\_\_\_\_\_

(H) Granted Limited Powers of Free Conference

(S) Granted Limited Powers of Free Conference

19

(H) Adopted CC Rpt \_\_\_\_\_  
 Y \_\_\_ N \_\_\_ E \_\_\_ A \_\_\_  
 \_\_\_\_\_ Efd same or Y \_\_\_ N \_\_\_ E \_\_\_ A \_\_\_

(S) Adopted CC Rpt \_\_\_\_\_  
 Y \_\_\_ N \_\_\_ E \_\_\_ A \_\_\_  
 \_\_\_\_\_ Efd same or Y \_\_\_ N \_\_\_ E \_\_\_ A \_\_\_

To enrolling  
 Reported enrolled and sent to Governor

\_\_\_\_\_ By Governor

Legislative Resolve Number \_\_\_\_\_

Filed with Lieutenant Governor