

**SB**

**84**

**HFIN**

**FILE**

# HOUSE COMMITTEE REPORT

(11)

Date Referred: April 20, 1993

FURTHER REFERRALS:

Date of Committee Action: 4/23/93

The FINANCE Committee considered:

SB 84 am

SENATE BILL NO. 84 am

REVOKE DRIVER'S LICENSE IF USE FALSE I.D.

"An Act relating to fees for identification cards and certain motor vehicle licenses and permits; to licenses issued to drivers and to revocation of a license to drive; and providing for an effective date."

**RECOMMENDATIONS:**

be replaced with SB 84 am  the same title  
 a new title

have attached amendments(s)

do pass

do not pass

no recommendations

individual recommendations

additional referral to the \_\_\_\_\_ Committee

ADOPTS: \_\_\_\_\_ letter of Intent

ATTACHES NEW FISCAL NOTE(s): (Dept) \_\_\_\_\_

APPROVES PREVIOUS: (Dept/Date) \_\_\_\_\_

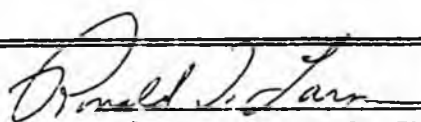
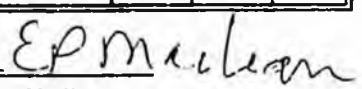
fiscal impact \_\_\_\_\_

fiscal note(s) \_\_\_\_\_

zero fiscal note \_\_\_\_\_

zero fiscal note(s) DPS

SIGNING <u>DO</u> PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
<i>Eileen P. Maclean</i> Maclean ✓					
<i>Arnold J. Larson</i> Larson x					
<i>Barry Grussendorf</i> Grussendorf x		<i>Mark Hanley</i> Hanley		x	
<i>Terry Martin</i> Martin x					
<i>Tom Hoff</i> Hoff x		<i>Ken Parnell</i> Parnell		x	
<i>Mike Naurice</i> Naurice x		<i>Tan Brown</i> Brown		✓	
<i>Richard [Signature]</i> [Signature] x		<i>Gary Thernault</i> Thernault		x	


  
 ED CHAIRMAN'S SIGNATURE  
 LARSON Maclean

SENATE BILL NO. 84 am

IN THE LEGISLATURE OF THE STATE OF ALASKA

EIGHTEENTH LEGISLATURE - FIRST SESSION

BY SENATORS KELLY, Salo

Amended: 4/1/93  
Introduced: 2/1/93

JUD  
FIN

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to fees for identification cards and certain motor vehicle licenses  
2 and permits; to licenses issued to drivers and to revocation of a license to drive;  
3 and providing for an effective date."

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

5 \* Section 1. AS 18.65.310(a) is amended to read:

6 (a) Upon payment of a \$10 [\$5] fee, the Department of Public Safety shall  
7 issue a card identical to the motor vehicle operator's license provided for in  
8 AS 28.15.111, except that the card shall be of a different color and shall state in bold  
9 type letters across the face of it that it is for identification purposes only.

10 \* Sec. 2. AS 28.15.111(a) is amended to read:

11 (a) Upon successful completion of the application and all required  
12 examinations, and upon payment of the required fee, the department shall issue to  
13 every qualified applicant a driver's license indicating the type or general class of  
14 vehicles that the licensee may drive. The license must display (1) a distinguishing

1 number assigned to the license; (2) the licensee's full name, address, date of birth,  
2 brief physical description, and color photograph; [AND] (3) either a facsimile of the  
3 signature of the licensee or a space upon which the licensee must write the licensee's  
4 usual signature with pen and ink; (4) a holographic symbol intended to prevent  
5 illegal alteration or duplication; and (5) for a qualified applicant who is under age  
6 21, the words "UNDER 21". A license is not valid until signed by the licensee. If  
7 facilities are not available for the taking of the photograph required under this section,  
8 the department shall endorse on the license, the words "valid without photograph."

9 \* Sec. 3. AS 28.15 is amended by adding new sections to read:

10 Sec. 28.15.187. ADMINISTRATIVE REVOCATION OF A LICENSE TO  
11 DRIVE FOR USE OF FALSE IDENTIFICATION. (a) If a peace officer has probable  
12 cause based on personal observation that a person has used a driver's license as  
13 fraudulent or false identification as prohibited by AS 04.16.060(d), the peace officer  
14 shall read a notice and deliver a copy to the person. The notice must advise that

15 (1) the department intends to revoke the person's driver's license,  
16 privilege to drive, or privilege to obtain a license, or refuse to issue an original license  
17 to the person;

18 (2) the person has the right to administrative review of the revocation  
19 or determination not to issue an original license;

20 (3) if the person has a driver's license or a nonresident privilege to  
21 drive, the notice itself is a temporary driver's license that expires seven days after it  
22 is delivered to the person;

23 (4) revocation of the person's driver's license, privilege to drive, or  
24 privilege to obtain a license, or a determination not to issue an original license takes  
25 effect seven days after delivery of the notice to the person unless the person, within  
26 seven days, requests an administrative review.

27 (b) After reading the notice under (a) of this section, the peace officer shall  
28 seize the person's driver's license if it is in the person's possession and shall deliver  
29 it to the department with a sworn report describing the circumstances under which it  
30 was seized.

31 (c) Unless the person has requested an administrative review, the department

1 shall revoke the person's driver's license, privilege to drive, or privilege to obtain a  
2 license, or refuse to issue an original license, effective seven days after delivery to the  
3 person of the notice required under (a) of this section, upon receipt of a sworn report  
4 of a peace officer

5 (1) that the officer had probable cause based on personal observations  
6 that the person used a driver's license as fraudulent or false identification as prohibited  
7 by AS 04.16.060(d);

8 (2) that notice under (a) of this section was provided to the person; and

9 (3) describing the circumstances surrounding the violation of  
10 AS 04.16.060(d).

11 (d) The department shall impose the revocation required under this section

12 (1) for a period of 60 days for a first revocation under this section; and

13 (2) for a second or subsequent revocation under this section for a  
14 period of 12 months.

15 (e) Notwithstanding the provisions of AS 28.20.240 and 28.20.250, the  
16 department may not require proof of financial responsibility before restoring a driver's  
17 license or privilege that is revoked under this section.

18 (f) A license revocation imposed under this section shall be consecutive to a  
19 license revocation imposed under another provision of law.

20 Sec. 28.15.189. ADMINISTRATIVE REVIEW OF REVOCATION OF  
21 LICENSE FOR USE OF FALSE IDENTIFICATION. (a) A person who has received  
22 a notice under AS 28.15.187(a) may make a written request for administrative review  
23 of the department's action. If the person's driver's license has not been previously  
24 surrendered to the department, it shall be surrendered to the department at the time the  
25 request for review is made.

26 (b) A request for review of the department's revocation under AS 28.15.187  
27 shall be made within seven days after receipt of the notice under AS 28.15.187 or the  
28 right to review is waived and the action of the department under AS 28.15.187(c) is  
29 final. If a written request for a review is made after expiration of the seven-day  
30 period, and if it is accompanied by the applicant's verified statement explaining the  
31 failure to make a timely request for a review, the department shall receive and consider

1 the request. If the department finds that the person was unable to make a timely  
2 request because of lack of actual notice of the revocation or because of factors of  
3 physical incapacity such as hospitalization or incarceration, the department shall waive  
4 the period of limitation, reopen the matter, and grant the review request.

5 (c) Upon receipt of a request for review, if it appears that the person holds a  
6 valid driver's license and that the driver's license has been surrendered, the department  
7 shall issue a temporary driver's permit that is valid until the scheduled date for the  
8 review. A person who has requested a review under this section may request, and the  
9 department may grant for good cause, a delay in the date of the hearing. If necessary,  
10 the department may issue additional temporary permits to stay the effective date of its  
11 action under AS 28.15.187(c) until the final order after the review is issued.

12 (d) A person who has requested a hearing under this section and who fails to  
13 appear at the hearing, for reasons other than lack of actual notice of the hearing or  
14 physical incapacity such as hospitalization or incarceration, waives the right to a  
15 hearing. The determination of the department that is based upon the officer's report  
16 becomes final.

17 (e) Notwithstanding AS 28.05.141(b), the hearing under this section shall be  
18 held telephonically unless the person requesting the hearing requests in writing that the  
19 hearing not be held telephonically.

20 (f) A review under this section shall be held before a hearing officer  
21 designated by the commissioner. The hearing officer shall have authority to

22 (1) administer oaths and affirmations;  
23 (2) examine witnesses and take testimony;  
24 (3) receive relevant evidence;  
25 (4) issue subpoenas, take depositions, or cause depositions or  
26 interrogatories to be taken;

27 (5) regulate the course and conduct of the hearing;

28 (6) make a final ruling on the issue.

29 (g) The hearing for review of a revocation by the department under  
30 AS 28.15.187 shall be limited to the issue of whether the person used a driver's license  
31 as fraudulent or false identification as prohibited by AS 04.16.060(d).

1 (h) The determination of the hearing officer may be based upon the sworn  
2 report of a peace officer, if the sworn report is supported by probable cause based on  
3 personal observations as required under AS 18.15.187(a). The peace officer need not  
4 be present at the hearing unless either the person requesting the hearing or the hearing  
5 officer requests in writing before the hearing that the officer be present. If in the  
6 course of the hearing it becomes apparent that the testimony of the peace officer is  
7 necessary to enable the hearing officer to resolve disputed issues of fact, the hearing  
8 shall be continued to allow the attendance of the peace officer.

9 (i) Upon written request of the person requesting the hearing, the hearing  
10 officer shall stay the hearing until the conclusion of related criminal proceedings. If  
11 the person requesting the hearing does not request a stay, testimony given by the  
12 person at the hearing is admissible against the person in a criminal trial.

13 (j) If the issue set out in (g) of this section is determined in the affirmative by  
14 a preponderance of the evidence, the hearing officer shall sustain the action of the  
15 department. If the issue is determined in the negative, the department's revocation  
16 action shall be rescinded.

17 (k) If the action of the department in revoking a nonresident's privilege to  
18 drive a motor vehicle is not administratively contested by the nonresident driver or if  
19 the departmental action is sustained by the hearing officer, the department shall give  
20 written notice of action taken to the motor vehicle administrator of the state of the  
21 person's residence and to any state in which that person has a driver's license.

22 (l) Within 30 days of the issuance of the final determination of the department,  
23 a person aggrieved by the determination may file an appeal in superior court for  
24 judicial review of the hearing officer's determination. The judicial review shall be on  
25 the record without taking additional testimony. The court may reverse the  
26 department's determination if the court finds that the department misinterpreted the  
27 law, acted in an arbitrary and capricious manner, or made a determination unsupported  
28 by the evidence in the record.

29 (m) The filing of an appeal under (l) of this section or a petition for review  
30 does not automatically stay the department's order or revocation. The court may grant  
31 a stay of the order or revocation under the applicable rules of court, after a motion and

1 hearing, and upon a finding that there is a reasonable probability that the petitioner  
2 will prevail on the merits and that the petitioner will suffer irreparable harm if the  
3 order is not stayed.

4 \* Sec. 4. AS 28.15.271(a) is amended to read:

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

- 7 (1) all noncommercial vehicles and motor-driven cycles
  - 8 (A) each license fee . . . . . \$ 15 [10];
  - 9 (B) each driver skills test . . . . . \$ 15;
- 10 (2) all commercial motor vehicles
  - 11 (A) each license fee . . . . . \$100;
  - 12 (B) each driver skills test . . . . . \$ 25;
- 13 (3) instruction permit . . . . . \$ 5 [3];
- 14 (4) duplicate of driver's license or instruction permit . . \$ 10 [3];
- 15 (5) temporary license and renewal of permit . . . . . \$ 5 [3];
- 16 (6) school bus driver's endorsement renewal . . . . . \$ 5 [3].

17 \* Sec. 5. This Act takes effect July 1, 1993.

# FISCAL NOTE

STATE OF ALASKA  
1993 LEGISLATIVE SESSION

No. 1  
Bill Version: SB 84 am  
(H) Publish Date: 4/20/93

Revision Date: 4/19/93 Dept. Affected: Public Safety  
Title: An Act relating to fees for BRU: Motor Vehicles  
identification cards Component: Drivers Services  
Sponsor: Senator Kelly  
Requestor: House Judiciary COMPONENT SERIAL NO. 500

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

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	132.3	132.3	132.3	132.3	132.3	132.3
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	56.7	56.7	56.7	56.7	56.7	56.7
SUPPLIES	1.5	1.5	1.5	1.5	1.5	1.5
EQUIPMENT	24.7	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	215.7	191.0	191.0	191.0	191.0	191.0

CAPITAL	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
REVENUE FUND SOURCE: 1005	993.1	993.1	993.1	993.1	993.1	993.1

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts	215.7	191.0	191.0	191.0	191.0	191.0
1006 GF/MHTIA						
Other						
TOTAL	215.7	191.0	191.0	191.0	191.0	191.0

POSITIONS:

FULL-TIME	3	3	3	3	3	3
PART-TIME						
TEMPORARY						

Estimate of current year (FY 93) impact: \$ \_\_\_\_\_

ANALYSIS: (Attach a separate page if necessary.)

See attached analysis.

Prepared By: Traci Henshaw Phone: 155-1751  
Division: Motor Vehicles Date: 4/19/93  
Approved by Commissioner: [Signature] Date: 4/19/93  
Agency: Department of Public Safety

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10.4.  
SB 84 am  
Pg 2

Analysis:

SB 84am will require the Division of Motor Vehicles to place a holographic symbol on every driver's license in a further attempt to prevent alteration or duplication of a driver's license. This bill also requires the revocation of the driver's license in an attempt to gain entry to purchase alcohol. The Division of Motor Vehicles processes approximately 200,000 driver's license transactions yearly. The present cost to produce a license is \$1.05 per card. To place a hologram on the license and identify those drivers under the age of 21 will increase the contractual cost from \$1.05 to \$1.30, thus increasing the overall contractual cost to DMV an additional 50.0 year.

In 1992, the Alcohol Beverage Control Board reported that approximately 500 to 700 licenses are confiscated and referred to their agency by liquor establishments when a person under 21 is attempting to purchase alcohol. The department receives approximately 1,500 licenses each year that are surrendered or confiscated by law enforcement. The 1,500 licenses includes the 500 to 700 that are surrendered to the ABC Board.

The Division of Motor Vehicle estimates there will be an additional 1,500 driver license revocations a year. In order to handle the 1,500 additional license revocations a year, and provide due process for the person, one full-time Driver Improvement Specialist/Hearing Officer, and two full-time Document Processor IIs will be required. The duties of these positions are detailed in the attached request for new positions. The personal services cost for a Driver Improvement Specialist is 53.0; the personal services cost for the Document Processor II positions is 69.0; an additional 10.3 is needed for overtime expenses associated with reinstatement of revoked driver's licenses. The total for personal services is 132.8. The overtime pay is requested in lieu of a Motor Vehicle Representative III position, as the workload required to reinstate the offenders' driver's licenses will be borne by all of the Motor Vehicle Field offices throughout the state.

To revoke 1,500 additional driver's licenses a year takes over 30 processing steps per revoked license. It is estimated that 25% of all persons referred to DMV for a license revocation will request an administrative hearing. Each hearing takes approximately 20 minutes to one hour to conduct. All of the 30 processing steps varies in the time it takes to complete each step. Complete accuracy is essential, as an error of entry onto a record could result in civil liability to the State. It takes approximately 20 minutes per applicant to reinstate a revoked driver's license; the person must make a new application for the driver's license or permit, take all of the required tests, and if the person is under the age of 18 a parent or guardian must give consent for the driver's license or permit, file SR-22 (Certificate of Insurance) and pay the reinstatement fee. All of these steps total approximately 400 hours of additional workload for the Motor Vehicle Field office personnel.

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SB 84 am  
P3.

Analysis (Cont'd.):

Under existing law, each person whose license has been revoked must pay a \$100 fee when applying for reinstatement of his or her driver's license. Assuming that 90 percent of the minors who are eligible for reinstatement will comply with the reinstatement requirements, approximately 135.0 will be generated annually as program receipts.

This bill increases the fees for a driver's license, and permits. The fee increases are as follows:

- (1) driver's license from \$10.00 to \$15.00
- (2) instruction permit from \$3.00 to \$5.00
- (3) duplicate license or permit from \$3.00 to \$10.00
- (4) school bus endorsement permit from \$3.00 to \$5.00
- (5) identification card from \$5.00 to \$10.00

This increase will generate overall, approximately 1.8 million dollars to the general fund. This increase is approximately 680.0 thousand more than the division presently receives in license fees and an additional 135.0 thousand in reinstatement fees for an overall total of 815.0 annually.

Detail

FY94

100	PERSONAL SERVICES		
	1 Driver Improvement Spec	53.0	
	2 Document Processor II	69.0	132.8
	Overtime MVR III Field Office	10.3	
200	CONTRACTUAL		
	Hologram inlaid driver license pouch	50.0	
	Postage and tolls	2.5	
	Telephone line fees	.5	56.7
	Conference call and long distance fees	3.7	
400	SUPPLIES		
	Routine Office Supplies	1.5	1.5
500	EQUIPMENT		
	3 Workstations		
	3 5-Drawer File Cabinets	24.7	24.7
	TOTAL		215.7

Position Title <b>Document Processor II</b>		Number of Positions <b>2</b>	Range/Step <b>8-B</b>	Bargaining Unit <b>660</b>
Time Status <b>PFT</b>	Staff Months <b>12 each</b>	Location <b>Juniata</b>	Election District	
Type of Expenditure		Justification		
		These positions would handle the necessary paperwork and computer entry onto the minor's record. Among other duties, the positions will send out letters advising the person of the dates of the license revocation, prepare files for hearing officer after the person has requested a hearing, file, close files out, sanitize for microfilm, microfilm, enter micro film documents for microfilm retrieval, enter license revocation data. It is estimated that these positions will handle approximately 1,500 license revocation files year.		
	<b>1</b>	<b>2</b>	<b>3</b>	
Salary*		<b>45.6</b>		
Benefits*		<b>23.4</b>		
Premium Pay (Included in Above)				
Other				
<b>Total Personal Services</b>			<b>69.0</b>	
Travel			<b>0</b>	
Contractual			<b>4.5</b>	
Commodities			<b>1.0</b>	
Equipment			<b>16.5</b>	
Other			<b>0</b>	
<b>Total Cost</b>			<b>91.0</b>	
Funding Source For Total Cost				
Federal Receipts	1002			
G.F. Match	1003			
General Fund	1004			
Program Receipts/GF	1005			
I A Receipts	1007			
CHP Receipts	1061			
Other				
* Personal Services Salary and Benefits Costs are from PACS calculations.				

REQUEST FOR  
NEW POSITION

AGENCY Department of Public Safety

BRU Motor Vehicles

COMPONENT Driver Services

FY 94

Page 4 of 5

Revised Date

500  
S.E. & 4 am  
pg. 4

Position Title <b>Driver Improvement Specialist</b>		Number of Positions <b>1</b>	Range/Step <b>16-A</b>	Bargaining Unit <b>GGU</b>
Time Status <b>PFT</b>	Staff Months <b>12</b>	Location <b>Anchorage</b>	Election District	
Type of Expenditure		Justification		
1	2	3	<p>This position will conduct administrative hearings involving the revocation of a minor's driver's license and/or privilege to drive. It will prepare the file, send notice to parties advising of the date and time of the hearing, conduct the hearing, prepare the file for appeal, enter license action onto the minor's driving record, and handle all correspondence associated with this program.</p>	
Salary*	37.0			
Benefits*	16.0			
Premium Pay (Included in Above)				
Other				
<b>Total Personal Services</b>		<b>53.0</b>		
Travel		0		
Contractual		2.2		
Commodities		.5		
Equipment		8.2		
Other (Overtime)		10.8		
<b>Total Cost</b>		<b>74.7</b>		
Funding Source For Total Cost				
Federal Receipts	1002			
G.F. Match	1003			
General Fund	1004			
Program Receipts/GF	1005			
I-A Receipts	1007			
CIP Receipts	1061			
Other				
* Personal Services Salary and Benefits Costs are from PACS calculations.				

REQUEST FOR  
NEW POSITION

AGENCY Department of Public Safety  
 BRU Motor Vehicles  
 COMPONENT Driver Services

Page 5 of 5  
 Revised Date

FY 94

SR 84 am  
 P.S. S

5/5

MC-4

# FISCAL NOTE

Bill Version: SB 84 No. 3  
 (S) Publish Date: 3-22-93

STATE OF ALASKA  
 1993 LEGISLATIVE SESSION

Revision Date: 3/19/93 Dept. Affected: Public Safety  
 Title: Relating to fees for ID cards BRU: Motor Vehicles  
 Sponsor: Relly Component: Driver Services  
 Requestor: Senate Finance Committee COMPONENT SERIAL NO. 500

**Expenditures/Revenues:**

(Thousands of Dollars)

OPERATING	FY94	FY95	FY96	FY97	FY98	FY99
PERSONAL SERVICES	63.8	63.8				
TRAVEL	0	0				
CONTRACTUAL	56.7	56.7				
SUPPLIES	1.5	1.5				
EQUIPMENT	24.7	0				
LAND & STRUCTURES	0	0				
GRANTS, CLAIMS	0	0				
MISCELLANEOUS	0	0				
<b>TOTAL OPERATING</b>	<b>146.7</b>	<b>122.0</b>				

CAPITAL						
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REVENUE FUND SOURCE:	725.0	725.0				
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**FUNDING:**

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts	146.7	122.0				
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	<b>146.7</b>	<b>122.0</b>				

**POSITIONS:**

FULL-TIME	1	1				
PART-TIME						
TEMPORARY						

Estimate of current year (FY93) impact: \$ \_\_\_\_\_

**ANALYSIS:**

(Attach a separate page if necessary)

See attached explanation of revisions to fiscal note

Prepared by: Max Gifford, Admin. Assist. Phone: 465-3822  
 Division: Legislature (Sen. Relly) Date: 3/19/93  
 Approved by: Sen. Arice Shook, Co-Chair, SFC Date: \_\_\_\_\_  
 Agency: Legislature, Senate Finance

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Explanation of Fiscal Note Revision

SB-84 Revised 3/19/93

The new fiscal note reflects revenue and operating calculations based on an additional 500 driver license revocations a year, rather than the 1500 estimated annual revocations in the previous fiscal note.

Personnel Services is reduced to reflect only one new position, a Driver Improvement Specialist at a cost of \$53.0.

The remaining FY94 operating expenditures remain the same. The position count is reduced to one Full-Time position.

Lowering the number of annual additional license revocations to 500 reduces program receipts to \$45.0 based on a fee of \$100 for the approximately 450 license reinstatements. The figure is based on the Department's assumption that 90% of those eligible for reinstatement will comply.



Official Business

# Alaska State Legislature

SENATOR TIM KELLY

State Capitol  
Juneau, AK 99801-1182

## SPONSOR STATEMENT FOR SB 84:

### Use of A Fraudulent Driver's License by a Minor to Purchase Alcohol

Alcohol abuse is a severe problem in Alaska, impacting individuals, families, and communities throughout our State. In fact, Alaska ranks 4th in the nation for per capita alcohol consumption. This legislation -- which attempts to address alcohol consumption by minors -- passed the House last session and died in the closing minutes of the session in the Senate Finance Committee.

Nationally, while drug use among teenagers is down, teenage alcohol consumption is increasing. In Alaska, alcohol is associated with a majority of vehicular deaths of teenagers. In 1990, the most recent year for which statistics are available, there were 180 accidents caused by alcohol impaired minors. These accidents resulted in 6 deaths.

The result of a 1988 report done by the University of Alaska, Anchorage, indicate that 75% of all Alaskan youth in grades 7-12 have tried alcoholic beverages, and alcohol and drug use was a contributing or causal factor in the crimes of 48% of all youth who were detained or placed on probation in Alaska. Another 1990 study indicates that 45% of of males and 33% of females of driving age in grades 10-12 have driven after drinking.

Many of these underage drinkers are getting their alcohol through the use of fraudulent drivers' licenses. Between January 1989 and February 1992, nearly 6,000 fake IDs had been turned over to the Alcohol Beverage Control Board (A.B.C. Board), most of which were fraudulent drivers' licenses. I believe it is a safe assumption this number represents only a fraction of the fake IDs in circulation.

While Alaska statute already prohibits the use of a fraudulent driver's license and bans the sale of alcohol to minors, the law clearly has not been effective. Most minors don't even have any idea what the penalties are for using a fraudulent 'D to purchase alcohol. Consider that of the more than 6,000 IDs confiscated in the three year period from 1989 to 1992, only 87 cases have been prosecuted. The average sentence of those convicted has been 20 hours of community service and a \$100 fine.

Senator Tim Kelly  
Sponsor Statement - SB 84  
Page 2

Clearly, Alaska's underage drinkers don't consider the law a real deterrent.

SB 84 was originally crafted to address this problem with cooperation from Mothers' Against Drunk Driving (MADD), the alcohol industry, the Department of Motor Vehicles (DMV), and the A.B.C. Board.

It was felt that the only way to effectively impress upon teenagers and 20-year-olds the grave consequences of using fraudulent drivers' licenses to go out drinking was to take away their car keys. Nothing will get their attention faster.

SB 84 would require the DMV to revoke a person's driving privileges for 60 days when a peace officer determines that person has used a driver's license as fraudulent ID to purchase alcohol. For a second offense, revocation would be for one year. This would be an administrative action, so revocation would not have to be adjudicated through the court system. Teenagers and 20-year-olds would see that the penalty is substantial and administered immediately.

(In order to ensure due process rights are protected, persons losing their license would have 7 days after receiving notice that their privilege to drive was to be revoked to request an administrative review. During this 7 days their notice of the DMV's intent to revoke would serve as a temporary license.)

Moreover, SB 84 would require that holograms be put on drivers' licenses and State IDs issued by the Department of Public Safety, as well as the phrase "UNDER 21" for qualified applicants.

Lastly, SB 84 would enact minor fee increases for a State ID and other drivers' licenses and permits to help pay for these preventative and deterrent measures.

If enacted, SB 84 should provide an effective deterrent for minors considering using fraudulent drivers' licenses to purchase alcohol, and go a long way towards alleviating some of the problems associated with alcohol abuse and use by minors.

BILL NO: SB 84

DATE: February 16, 1993

TITLE: "An Act relating to fees  
for identification  
cards..."

CONTACT: C.E. Swackhammer  
Deputy Commissioner  
465-4322

SB 84 amends current law by requiring a holographic symbol be placed on driver's license and identification cards to prevent illegal alteration or duplication. This bill also adds a new section to Alaska's motor vehicle driver's license of any person under the age of 21 who uses a driver's license as fraudulent or false identification in an attempt to gain entry or purchase alcohol from a liquor establishment.

The Division of Motor Vehicles processes approximately 200,000 driver's license and ID card transactions yearly. The present cost to produce a license is \$1.05 per card. To place a hologram on the license will increase the cost from \$1.05 to \$1.30, thus increasing the cost of producing a license and increasing the contractual cost for DMV an additional 50.0 a year.

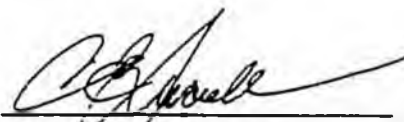
The Division anticipates some adverse public reaction to the revocation of a driver's license for a non-driving offense.

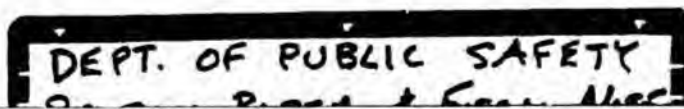
In 1992, the Alcohol Beverage Control Board reported that approximately 500 to 700 license a year are confiscated and referred to their agency by liquor establishments when a person under 21 is attempting to purchase alcohol. Approximately 1,500 licenses and IDs a year are surrendered to the department or confiscated by law enforcement officers. At the time of confiscation, the person was attempting to use an altered license, or attempting to use another's license or ID to gain entry into a liquor establishment in an attempt to purchase alcohol. The 1,500 licenses and IDs includes the 500 to 700 that are surrendered to the ABC Board.

This bill does not address information and education of the public or the costs associated with this type of program.

Identifying a person who is under 21 years of age on the driver's license will bring Alaska one step closer to qualifying for approximately 200.0 in federal highway safety alcohol incentive grants.

The Department feels the fee for a duplicate driver's license should be increased to \$10.00 instead of \$5.00. It takes more employee time to issue a duplicate than it takes for a renewal. When a person comes into a DMV office for a duplicate license or ID, it usually indicates they have lost their license and all identification, thus the additional time comes from having to verify the person's identity.

  
Richard L. Burton  
Commissioner



POSITION PAPER - Department of Public Safety

**DIVISION OF LEGAL SERVICES**

**LEGISLATIVE AFFAIRS AGENCY  
STATE OF ALASKA**

(907) 465-3867 or 465-2450  
FAX (907) 465-2029  
Mail Stop 3101

130 Seward Street, Suite 409  
Juneau, Alaska 99801-2105

MEMORANDUM

February 3, 1993

**SUBJECT:** Sectional Summary of SB 84  
**TO:** Senator Tim Kelly  
**FROM:** Michael F. Ford *M.F.*  
Legislative Counsel

You have requested a sectional summary of the above described bill.

As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents. If you would like an interpretation of the bill as it may apply to a particular set of circumstances, please advise.

Section 1. Increases the fee for an identification card to \$10.

Section 2. Requires that driver's licenses carry a holographic symbol and if the applicant is under age 21, the words "UNDER 21".

Section 3.

Sec. 28.15.187 - Provides for administrative revocation of the driver's license of a person who has used the license for the purchase of alcoholic beverages. Establishes a notice procedure and mandatory periods of license revocation.

Sec. 28.15.189 - Establishes a hearing procedure for a person whose driver's license is revoked under AS 28.15.189. Provides for appeal to superior court of the administrative determination.

Section 4. Provides for higher fees for certain drivers' licenses and permits.

Section 5. Effective date.

MFF:lmb  
93-025.lmb

SECTIONAL

# STATE OF ALASKA

## DEPARTMENT OF REVENUE

ALCOHOLIC BEVERAGE CONTROL BOARD

WALTER J. HICKEL, GOVERNOR

550 W. 7TH AVE  
ANCHORAGE, ALASKA 99501-6698

February 4, 1993

The Honorable Tim Kelly  
Alaska State Senate  
State Capitol  
Juneau, AK 99801-1182

RE: SB 84

Dear Senator Kelly:

This letter intends to express the Alcoholic Beverage Control Board's support for Section 1 of SB 84 concerning drivers' licenses. As indicated in Investigator Bill Roche's memo of February 5, 1992, liquor licensees have been plagued by and exposed to myriad incidents of altered or fraudulent identification presented by underage persons for purchase of alcoholic beverages or entry to licensed premises. According to the board's information, an identification card or drivers license that displays a holographic symbol cannot be altered. The board believes that any measure, such as requiring a holographic symbol, that can deter or reduce alcohol abuse by underage persons is a benefit to licensees and the public.

The board does not have a position on Section 3 of the bill.

If you have any questions, please do not hesitate to call.

Sincerely,



Patrick L. Sharrock  
Director, ABC Board  
(907) 277-8638

ENC: MEMORANDUM DATED 2/5/92

93-020

LETTERS OF SUPPORT

# BRISTOL BAY AREA HEALTH CORPORATION

P.O. BOX 130 • DILLINGHAM, ALASKA 99576

(907) 842-5201 or (907) 842-5202

February 3, 1993

Senator Tim Kelly  
Senate Labor & Commerce  
State Capitol  
Juneau, AK 99801-1182

Dear Senator Kelly,

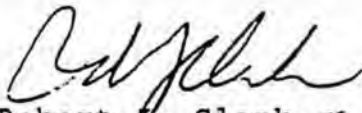
We appreciate this opportunity to respond to your introduction of SB 83 and SB 84. The Bristol Bay Area Health Corporation has supported these bills in the past and will continue to advocate passage in the form of this letter of support.

We renumerate our concerns regarding alcohol abuse as our main social problem in our region and we encourage any efforts to resuscitate interest to curb underage drinking and educate alcohol servers. The alcohol servers course has the potential to change the alcohol establishments policies and procedures, increase marketing to generate increased profits, educate servers on the alcohol beverage laws, provide servers with tools and techniques that can be used with patrons, and additional education efforts can be focused on the consequences of prenatal drinking that can cause birth defects.

Once again, thank you for introducing these key pieces of legislation and the best of luck in their passage.

Sincerely,

BRISTOL BAY AREA HEALTH CORPORATION



Robert V. Clark  
Chief Executive Officer

RCJ/ve

cc: Senator George Jacko  
Senator Georgianna Lincoln  
Representative Lyman Hoffman  
Representative Irene Nicholia  
Representative Carl Moses  
file



*Alaska Cabaret, Hotel,  
Restaurant & Retailers Association*

*P. O. Box 102830 • Anchorage, Alaska 99510  
401 K Street • (907) 272-8133 • Fax: (907) 277-8640*

February 16, 1993

Senator Tim Kelly  
State Capitol  
Juneau, AK 99801-1182

Dear Senator Kelly,

On behalf of the statewide membership of the Alaska Cabaret, Hotel, Restaurant and Retail Association, I would like to express appreciation for your introduction and sponsorship of Senate Bill 84. We believe that this legislation will have significant impact in curbing the problem of underage drinking.

Underage drinking is a major social problem in our communities as well as a problem frequently encountered in our business. It is in our self-interest to support this legislation but even more importantly, we endorse it as a measure to protect all Alaskans from the sometimes tragic consequences of underage drinking.

This bill takes a common sense approach, first by making it much more difficult to alter an Alaska drivers license (a common method used by underage persons) and then by imposing meaningful and reasonable penalties on underage persons apprehended attempting to purchase alcohol.

We strongly endorse and support the passage of Senate Bill 84 and thank you for sponsoring such valuable legislation.

Yours truly,

  
Stan Filler  
President



401 K Street Anchorage, Alaska P.O. Box 104839 Anchorage, Alaska 99510  
(907) 272-8133 Fax: (907) 277-8640

**WHEREAS**, Senator Tim Kelly has sponsored Senate Bill 84, "An Act relating to fees for identification cards and certain motor vehicle licenses and permits; to licenses issued to drivers and to revocation of a license to drive; and providing for an effective date."; and,

**WHEREAS**, this bill provides for meaningful and reasonable penalties to be imposed on underage persons using false identification to purchase alcohol; and,

**WHEREAS**, the provisions of this bill will make altering or counterfeiting of the Alaska Driver's License almost impossible through the use of a hologram;

**NOW THEREFORE BE IT RESOLVED**, that the Anchorage Restaurant and Beverage Association strongly supports and endorses passage of this legislation which will have a significant impact in curbing the problem of underage drinking.

Michael C. Neely, President

February 15, 1993

# ALASKA PROFESSIONAL BARTENDING SCHOOL



February 16, 1993

Senator Tim Kelly  
State Capitol  
Juneau, AK 99801-1182

Dear Senator Kelly:

We at Alaska Professional Bartending School strongly endorse and support Senate Bill 84 which we believe will effectively reduce the dilemma of underage drinking.

We feel the penalties involved in this Bill will definitely have the desired impact to diminish underage drinkers from trying to purchase alcohol and it will also alleviate the threat these individuals pose to all of us in the hospitality industry as well as the general public. The added benefit of making alterations and counterfeiting of the Alaska Driver's License more difficult is a definite advantage in the suspension of alcohol abuse by underage persons.

We wish to express our respect for what you are doing and extend our firm endorsement of Senate Bill 84.

Sincerely,

A handwritten signature in cursive script that reads "Stanley M. Austin".

Stanley M. Austin  
President

# Pioneer Bar & Liquor Store, Inc.

---

CHRISTINE M. TENGS  
President

141-143 Second Ave.  
Post Office Box 190  
Haines, Alaska 99827  
(907) 766-9101 Business  
(907) 766-2474 Office  
(907) 766-3374 FAX

February 16, 1993

Senator Tim Kelly  
State Capitol  
Juneau, AK 99801-1182

Dear Senator Kelly:

I would like to go on record as strongly supporting Senate Bill 84, which would require Alaska Drivers' Licenses to bear a holographic symbol (making them harder to alter) and would provide penalties for use of false identification.

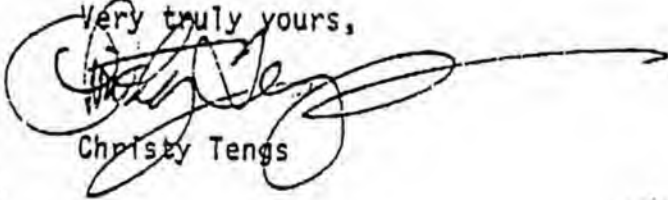
In July of 1990, a young man (6 months short of 21) used a fake I.D. to purchase from our liquor store. A few hours later he totalled his Toyota pick-up and died in the crash. It didn't matter to his parents that he broke the law 9 times that night. It also didn't matter that he had shown 8 of our employees I.D. that met the requirements of Title 4. Nor did it matter that he had previously purchased alcohol in the presence of his parents. They filed a civil liability suit against us and the Alaskan Liquor Store where he also bought that night.

In January of 1992, we settled the suit for \$37,500. We agreed to this amount because it was less than half of what it would have cost to go to trial, even with the most favorable results. The total cost of over \$120,000 we spent defending ourselves pales next to the emotional toll it took on not just my family and the family of the clerk on duty that night, but on the whole town.

During the course of this lawsuit, I did extensive research on my own in order to save legal fees. I interviewed many of the young man's friends, all of whom were most open and helpful. What I discovered is this: Perfect fake I.D.'s are inexpensive and easy to obtain. Using one is not considered a serious offense, but a rite of passage into adulthood. They haven't a clue that what they're doing has consequences, because up till now, there haven't been any consequences.

I can't thank you enough for introducing this bill. It's time people started taking responsibility for their own actions. If our youth want to pretend they're adults, let them pay an adult price.

Very truly yours,

  
Christy Tengs



## The Unisea Inn

Dutch Harbor, Alaska 99692

March 5, 1993

Senator  
State Capitol  
Juneau, AK 99801-1182

Dear Senator,

It has come to our attention there are four bills awaiting approval, that will drastically affect our business here, in Alaska. We would like to take a few moments of your time to express our views on these issues.

We would like to pledge support for Senate Bill 83, the Alcohol Server Training Bill. This Bill would prove to be assertive and helpful in the fight against alcohol abuse and the efforts to reduce drunk driving accidents. The main emphasis of this Bill is the aspect on training and how trained employees become responsible, better employees, helping us to protect our business and our customers.

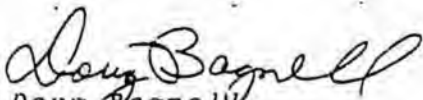
Senate Bill 84 continues in the direction of solving problems of alcohol abuse by targeting the underage drinker. Senate Bill 84 attacks the problem in its infancy, hoping to alleviate larger alcohol abuse problems later. By instituting stiffer controls, such as a hologram on the driver's license to help discourage counterfeiting, or the taking away of a driver's license from teenagers attempting to buy alcohol, the State of Alaska is taking a firm step forward in helping to solve problems before they get out of hand.

Both of the aforementioned Bills are well thought out and sincere in their attempts to help Alaskans gain ground in the arena of alcohol abuse awareness. Senator Tim Kelly has shown he truly cares about the public and we ask that, like us, you will support him in his efforts.

We understand that the pursuit of standards in the fight of alcohol abuse is important. This is why we oppose House Bill 61. The BAC for Alaska is currently at 0.10%. This is the recognized standard for 45 states. House Bill 61 would decrease the BAC to 0.08%. The intention is good, but the result could prove counterproductive. This Bill will intimidate the responsible alcohol consumer, creating a loss of sales and decreasing jobs my business can offer. By increasing the amount of offenders just by changing a number, the efforts needed to enforce our already tough laws, against DWI's, are diminished. The increase in DWI processing, court cases and corrections systems decreases the time available for regular activities, one of those being the arrest of serious heavy drinkers. We need to make a stand and enforce the good laws we have, instead of changing these laws to reflect a sense of morality only.

Finally, we would like to express our dissatisfaction with House Bill 53. Another increase in alcohol excise taxes is absurd. Federal excise tax rates just increased in 1991, and President Clinton's Administration is again proposing more increases. Alaska now ranks number 1 in the highest excise taxes for distilled spirits. Increasing the taxes even more will only decrease sales, which decreases jobs. It will not curb alcohol abuse. The previously mentioned Senate Bills, number 83 and 84, are heading in the right direction to help this battle, but tax increases are not the answer. Please help us discourage House Bill 53, since we see it as unproductive to our business and a detriment toward the health of the state.

Thank you,



Doug Bagnell  
General Manager

UniSea Inn  
Pouch 503  
Dutch Harbor, AK 99692

cc: Tim Kelly



REGAL ALASKAN HOTEL  
ANCHORAGE

February 18, 1993

Senator Tim Kelly  
State Capitol  
Juneau, AK 99801-1182

Dear Senator Kelly,

I support Senate Bill 84 because I believe it will have significant impact in curbing the problem of underage drinking.

This bill provides for meaningful and reasonable penalties to be imposed on underage persons using false identification to purchase alcohol. Most teenagers view a drivers license as something very valuable to them, and the penalty of losing this privileg may be more of a deterrent than the more traditional fines imposed.

The previous of this bill will also make it more difficult to alter or counterfeit the Alaska Driver's License; another major step in halting the abuse of alcohol by underage persons.

My livelihood, and that of my 155 employees, is threatened by incidents of underage drinking.

My life, and that of my family and my employees, is threatened by underage drinkers on the highways and streets of Alaska, and I support Senate Bill 84 which will lessen this danger for all of us.

Sincerely,

Max J. Lowe, CHA  
General Manager  
Regal Alaskan Hotel

A REGAL INTERNATIONAL HOTEL