

SB

28

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 4/20/95

FURTHER:

DATE TURNED INTO OFFICE: 4-27-95

The Finance Committee considered **SENATE BILL NO. 28**

Rep. vehi SB 28 MOTOR VEHICLE REGISTRATION FEE AND EMISSION INSPECTIONS tor

and recommends:

- be replaced with CS SB 28 (Fix)
- adopt previous CS _____
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to the _____ Committee

Senate Bill:

- same title
- new title
- House Bill:
- same title
- technical change
- new: SCR# _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>[Signature]</i>	✓	<i>[Signature]</i>	✓		
<i>[Signature]</i>	✓	<i>[Signature]</i>	✓		
		<i>[Signature]</i>	✓		
		<i>[Signature]</i>	✓		

*New DPS
fiscal note
coming.
Same cost
but reduced or
to revenue,*

(S): Date Zero Fiscal

Department	Date	Zero	Fiscal
DPS	4/23/95		58.8

PREVIOUS FISCAL NOTE(S):*
Department Date Zero Fiscal

Department	Date	Zero	Fiscal
DEC	4/4/95		250.0

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO: CSSB 28(FIN)

Revision Date: 4/28/95 Dept. Affected: Public Safety
 Title: An Act repealing an additional fee for motor vehicle registration not conducted by mail.... BRU: Motor Vehicles
 Component: Field Services
 Sponsor: Senator Donley
 Requestor: S. FIN. COMPONENT SERIAL NO. 0502

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

OPERATING	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES	36.1	36.1	36.1	36.1	36.1	36.1
TRAVEL						
CONTRACTUAL	12.7	1.5	1.5	1.5	1.5	1.5
SUPPLIES						
EQUIPMENT	10.0					
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	58.8	37.6	37.6	37.6	37.6	37.6

CAPITAL EXPENDITURES	-0-	-0-	-0-	-0-	-0-	-0-
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CHANGE IN REVENUES (1005)) Revenue Code						
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FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	58.8	37.6	37.6	37.6	37.6	37.6
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	58.8	37.6	37.6	37.6	37.6	37.6

Estimate of current year (FY 95) impact: \$ _____

POSITIONS:

FULL-TIME	1	1	1	1	1	1
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary.)

See attached

Prepared By: Juanita M Hensley Phone: 269-5559
 Division: Motor Vehicles Date: 4/28/95
 Approved by Commissioner: *Ronald L. Otte* Date: _____
 Agency: Ronald L. Otte, Dept. of Public Safety

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Analysis

In the emission inspection areas of Anchorage and Fairbanks there were 40,000 ownership changes in 1993 and 30,000 in 1994. For this analysis the average figure of 35,000 ownership changes will be used. This is the total number of vehicles that must be checked to see if they meet the requirement of having an additional I/M inspection at change of ownership. The DMV employee must determine if the vehicle meets the general age and weight criteria for inspections, whether the vehicle is 1987 model or older, and whether the vehicle has had an inspection within the last year. This checking will increase the average time for each transaction because only a portion of it can be automated. Additional time will be required to explain the requirements to owners and for the second visit required by those who do not meet the requirements on the first visit.

Since the circumstances vary so much it is not practical to quantify each individual transaction but it is estimated that this additional work will increase the overall workload by 1% so DMV will increase staffing by 1% or 1 PFT. The cost detail for the one PFT is as follows:

1 Motor Vehicle Rep I/II	\$36.1
DP costs for 1 APSIN terminal	\$.5
Equipment, 1 computer workstation	\$10.0
150 Hours of Contract Programming @ \$75 Hr..(One-time costs)	\$11.2
Data center charge for on line storage	\$ 1.0
Total	\$59.9

FISCAL NOTE

No. 4

Bill Version: CS SB 28 (TRA)

(S) Publish Date: 4/19/95

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO. _____

Revision Date: 14-Apr-95
Title: Motor Vehicle Registration Fee/Emission Inspection
Sponsor: Senator Donley
Requestor: (S)TRA

Department Affected: Environmental Conservation
BRU: Environmental Quality
Component: Air Quality

COMPONENT SERIAL NO. 1428

Expenditures/Revenues: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	250.0	50.0	50.0	50.0	50.0	50.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND&STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	250.0	50.0	50.0	50.0	50.0	50.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0
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FUND SOURCE

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	50.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipt	200.0	50.0	50.0	50.0	50.0	50.0
1006 GF/MHTIA	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY95) cost: \$ 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.)

See Attached

Prepared by: Larry Jones
Division: Director, Division of Administrative Services

Phone: 465-5010
Date: 4/14/95

Approved by Commissioner: *[Signature]*
Agency: Department of Environmental Conservation

Date: 4/14/95

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Attachment for

FISCAL NOTE - Proposed SB28(s)

STATE OF ALASKA
DEPARTMENT OF ENVIRONMENTAL CONSERVATION

The existing vehicle inspection and maintenance (I/M) program requires vehicles to be inspected on an annual basis. Vehicle owners must provide the Division of Motor Vehicles with an I/M certificate indicating that the vehicle has passed the emissions test in order to register their vehicle. SB-28(s) would require vehicles subject to I/M programs to be inspected and certified on a biennial basis, rather than the annual basis.

While providing relief to many vehicle owners, a biennial provision would make it harder to detect program evaders. A biennial program would provide owners who illegally register their vehicles to areas outside of an I/M program area, or who typically avoid registering their vehicles, a biennial opportunity to legally register their vehicles without dealing with the I/M requirements. In addition, the Department must treat each violator as a misdemeanor. Therefore, prosecution is expensive and time consuming. The combined conditions would encourage additional program evasion. The Department expects SB-28(s) to reduce program effectiveness by 5 to 15 percent. However, some of the reduction in effectiveness could be offset with minor program adjustments.

SB-28(s) addresses the enforcement concern by allowing a \$200 fine to be issued to an owner of a vehicle subject to an I/M program, which is being operated in an I/M area without a current and valid I/M certificate or inspection. The fine simplifies the enforcement effort and provides a relatively stiff penalty, which should help deter program evasion.

The proposed SB-28(s) would also allow the funds collected from the enforcement effort to be used by the Department to enhance the capability to electronically obtain and share enforcement related data with the Division of Motor Vehicles, and to conduct I/M enforcement efforts.

If SB-28(s) is passed, the Department would need \$250,000 in FY96 to for software development. The number of enforcement case loads would increase some, but could be handled by existing staff. The language concerning violations need to be put into both AS 28 and AS 46.14.510.

SENATE FINANCE
COMMITTEE

Amendment Number: 1

Bill Number: SB 28

Sponsor: Sharp Date: 4/27/95

Logged In By: JJA

4-27-95

BS

moved

Adopted

AMENDMENT

BY SENATOR SHARP

SB 28 (L&C) MOTOR VEHICLE OWNERSHIP/EMISSION INSPECTION

page 2, line 9:

Insert after mail to read:

" , or ^{not} at an I/M Station offering vehicle Re-
registration services."

4-27-95
Amend #1
Adopted.

9-LS025610

Amend #2
Delete Secs
1, 4, 5, 6
and conform
Sec. 3 to
status quo.
w/above
Amend #1.

Adjust Secs
10 & 11 to
reflect
new sec. nos.

Fin

CS FOR SENATE BILL NO. 28(L&C)

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - FIRST SESSION

BY THE SENATE LABOR AND COMMERCE COMMITTEE

Offered: 4/20/95
Referred: Finance

Sponsor(s): SENATORS DONLEY, Zharoff, Salo

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to transfer of motor vehicle ownership, motor vehicle registration
2 fees, and motor vehicle emissions inspection; and providing for an effective date."

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 * ~~Section 1. INTENT. It is the intent of the legislature that money collected by increasing~~
5 ~~fees under secs. 4, 5, and 6 of this Act be appropriated to fund field offices of the division~~
6 ~~of motor vehicles.~~

7 * Sec. 2. AS 28.10.271 is amended by adding a new subsection to read:

8 (d) An emissions inspection and maintenance certificate shall be obtained when
9 ownership of a motor vehicle is transferred, if the

10 (1) transferee resides in an area designated by the Department of
11 Environmental Conservation as an emissions inspection and maintenance area;

12 (2) motor vehicle was manufactured in 1987 or earlier;

13 (3) motor vehicle would be subject to an emissions inspection and
14 maintenance program; and

1 (4) motor vehicle has not been inspected for emissions or the existing
2 emissions inspection certificate is more than 12 months old.

3 * Sec. 3. AS 28.10.421(a) is amended to read:

4 (a) Unless otherwise provided by law,
5 (1) the fees prescribed in this section shall be paid to the department
6 at the times provided under AS 28.10.108 and 28.10.111; and

7 (2) [AN ADDITIONAL FEE OF \$10 SHALL BE ADDED TO] the
8 registration fee set out in this section ~~shall be reduced by \$10 or the amount of the~~
9 ~~fee whichever is less,~~ for registration [NOT] conducted by mail. ^{shays} THE ^{Amend}
10 DEPARTMENT MAY WAIVE THIS ADDITIONAL FEE ^{failm (or)} FOR A GOOD CAUSE #1
11 BASED ON CRITERIA ESTABLISHED IN REGULATIONS ADOPTED BY THE
12 DEPARTMENT].

Sec. 3 starts quo.

13 * Sec. 4. AS 28.10.421(b) is amended to read:

14 (b) The annual registration fees under this subsection are imposed within the
15 following classifications for:

- 16 (1) a passenger vehicle or motor home not used or maintained for the
17 transportation of persons or property for hire or for other commercial use
18 ~~\$45~~ ^[\$35];
- 19 (2) a pick-up truck or a van not exceeding 6,000 pounds unladen
20 weight and not used or maintained for the transportation of persons or property for hire
21 or for other commercial use ~~\$50~~ ^[\$40];
- 22 (3) a taxicab ~~\$80~~ ^[\$70];
- 23 (4) a motor bus with a seating capacity for 20 or more persons and
24 used exclusively for commercial purposes in the transporting of visitors or tourists
25 ~~\$95~~ ^[\$85];
- 26 (5) a motorcycle or a motor-driven cycle ~~\$30~~ ^[\$20];
- 27 (6) a trailer not used or maintained for the transportation of persons or
28 property for hire or for other commercial use, including, but not limited to, a boat
29 trailer, baggage trailer, box trailer, utility trailer, house trailer, travel trailer, or a trailer
30 rented or offered for rent ~~\$15~~ ^[\$5].

31 * Sec. 5. AS 28.10.421(c) is amended to read:

1 (c) The annual registration fees under this subsection are imposed and are
2 based upon the actual unladen weight as established by the manufacturer's advertised
3 weight or upon the actual weight that [WHICH] the owner shall furnish, subject to the
4 approval of the commissioner or the commissioner's representative, for a vehicle,
5 including a motor vehicle pulling a trailer or semi-trailer, that is registered in the name
6 of a company or business, or is used or maintained for the transportation of passengers
7 for hire, excepting taxicabs and buses under (b) of this section, or for the transportation
8 of property for hire or for other commercial purposes, including a trailer, semi-trailer,
9 truck, wrecker, tow car, hearse, ambulance, and tractor, as follows:

- 10 (1) up to and including 5,000 pounds \$61 [\$51];
11 (2) more than 5,000 pounds to and including 12,000 pounds
12 \$96 [\$86];
13 (3) more than 12,000 pounds to and including 18,000 pounds
14 \$166 [\$156];
15 (4) more than 18,000 pounds \$231 [\$221].

16 * Sec. 6. AS 28.10.421(d) is amended to read:

17 (d) The special registration fees under this subsection are imposed annually,
18 unless otherwise specified, for:

- 19 (1) an historic vehicle (one time only upon initial registration under
20 AS 28.10.181) \$10;
21 (2) special request plates for
22 (A) Alaska National Guard personnel \$30;
23 (B) veterans or retired veterans \$30;
24 (C) recipients of the Purple Heart \$30;
25 (D) owners of custom collector vehicles \$50;
26 (E) other special request plates \$30;

27 plus the fee required for that vehicle under (b) of this section; the fee required by this
28 paragraph shall be collected only on the first issuance and on the replacement of
29 special request plates;

30 (3) a vehicle owned by a disabled veteran or other handicapped person,
31 and registered under AS 28.10.181 or a resident 65 years of age or older who files a

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written application for an exemption on a form prescribed by the department
..... none;
(4) a vehicle owned by the state none;
(5) a vehicle owned by an elected state official
the fee required for that vehicle under (b) of this section;
(6) [REPEALED
(7)] a vehicle owned by a rancher, farmer, or dairyman and registered
under AS 28.10.181 \$45 [\$35];
(7) [(8)] a snowmobile or off-highway vehicle \$15 [\$5];
(8) [(9)] an amateur mobile radio station vehicle,
(A) with a transceiver capable of less than 5-band operation
..... the fee
required for that vehicle under (b) or (c) of this section;
(B) in recognition of service to the public: a mobile amateur
radio station owned by an amateur with general class or higher license,
provided the station must be satisfactorily proved capable of operating on at
least five bands from 160 through 10 meters, must have an antenna, and must
have a power supply and wiring as a permanent part of the vehicle; the
transmitting unit may be removed from the car for service or dry storage
..... none
for a mobile amateur radio station vehicle included in (b)(1) or (2) of this
section
(9) [(10)] dealer registration plates,
(A) the initial set of plates \$55 [\$45];
(B) each subsequent set of plates \$35 [\$25];
(10) [(11)] a vehicle owned by a municipality or charitable organization
meeting the requirements of AS 28.10.181(e) \$15 [\$5];
(11) [(12)] REPEALED
(13)] a vehicle owned by a Pearl Harbor survivor or a former prisoner
of war none;
(12) [(14)] REPEALED

1 (15)] special request university plates \$50
2 plus the fee required for that vehicle under (b)(1) or (2) of this section; the fee
3 required by this paragraph shall be collected only on the first issuance and on the
4 replacement of special request plates; the commissioner of administration shall
5 separately account by university campus designation for the fees received under this
6 paragraph that the department deposits in the general fund; the annual estimated
7 balance in the accounts that is in excess of the cost of issuing special request
8 university plates may be appropriated by the legislature for the support of programs
9 at each campus.

10 * Sec. 7. AS 28.10.423 is amended to read:

11 Sec. 28.10.423. EMISSION CONTROL INSPECTION PROGRAM FEES. In
12 addition to the annual registration fee specified in AS 28.10.421, a \$2 [\$1] fee is
13 imposed upon every vehicle required to be inspected under an emission control
14 program established under AS 46.14.400 or 46.14.510. This fee shall be collected at
15 the same time and in the same manner as the registration fee.

16 * Sec. 8. AS 46.14.400 is amended by adding new subsections to read:

17 (i) If a municipality or a local air quality district administering a program
18 under this section requires emissions inspection for a motor vehicle, emission
19 inspection may not be required more than once every two years.

20 (j) A person who operates a motor vehicle in violation of emissions
21 requirements imposed under this section is guilty of a violation and upon conviction
22 shall be fined \$200. It is the intent of the legislature that money collected under this
23 subsection be appropriated to promote air quality control programs in municipalities.

24 * Sec. 9. AS 46.14.510 is amended by adding new subsections to read:

25 (e) If the department adopts regulations requiring emissions inspection for a
26 motor vehicle, the department may not require the vehicle be inspected more than once
27 every two years.

28 (f) A person who operates a motor vehicle in violation of emissions
29 requirements imposed under this section is guilty of a violation and upon conviction
30 shall be fined \$200. It is the intent of the legislature that money collected under this
31 subsection be appropriated to control pollution from motor vehicle emissions.

new sec. nos.

- 1 * **Sec. 10.** AS 46.14.400(j), enacted in sec. 8 of this Act, and AS 46.14.510(f), enacted
- 2 in sec. 9 of this Act, take effect July 1, 1995.
- 3 * **Sec. 11.** Except as provided in sec. 10 of this Act, this Act takes effect July 1, 1996.

FISCAL NOTE

*5-1-95
LED copy to H.Fin.*

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO: CSSB 28(FIN)

Revision Date: 4/28/95
 Title: An Act repealing an additional fee for motor vehicle registration not conducted by mail....
 Sponsor: Senator Donley
 Requestor: S. FIN.

Dept. Affected: Public Safety
 BRU: Motor Vehicles
 Component: Field Services
 COMPONENT SERIAL NO. 0502

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

OPERATING	FY 98	FY 97	FY 98	FY 99	FY 00	FY 01
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CHANGE IN REVENUES (1005)) Revenue Code						
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TOTAL	58.8	37.6	37.6	37.6	37.6	37.6

Estimate of current year (FY 95) impact: \$ _____

POSITIONS:

FULL-TIME	1	1	1	1	1	1
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary.)

See attached

4/28/95

Prepared By: Juanita M Hensley
 Division: Motor Vehicles
 Approved by Commissioner: *Ronald L. Otte*
 Agency: Ronald L. Otte, Dept. of Public Safety

Phone: 269-5559
 Date: 4/28/95
 Date: 4/28/95

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Analysis

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1 Motor Vehicle Rep I/II	\$36.1
DP costs for 1 APSIN terminal	\$.5
Equipment, 1 computer workstation	\$10.0
150 Hours of Contract Programming @ \$75 Hr..(One-time costs)	\$11.2
Data center charge for on line storage	\$ 1.0
Total	\$59.9

MEMO

TO: Legal Services

FROM: Kathy
Senate Finance
465-2618

DATE: April 27, 1995

RE: CSSB 28 (Fin)

Working from CSSB 28 (L&C), please:

1. delete Secs. 1, 4, 5, and 6,
2. change language within Sec. 3 to revert to status quo statutory language plus addition of Amendment No. 1.
3. adjust section numbers cited in Secs. 10 and 11.

to produce a final Senate Finance Committee Substitute. Please return the bill to Kathy, Room 520, Capitol Building, to be read across at the Friday morning, April 28, 1995, 11:00 a.m. Senate floor session.

(The intent of the foregoing is to make the bill revenue neutral and maintain the status quo in terms of fees. Please advise whether the foregoing deletions will involve a title change. Thank you.)

SENATE FINANCE COMMITTEE REPORT

DATE: 4/20/95

FURTHER:

DATE TURNED INTO OFFICE: 4-27-95

The Finance Committee considered **SENATE BILL NO. 28**

Rep. vehi SB 28 MOTOR VEHICLE REGISTRATION FEE AND EMISSION INSPECTIONS tor

and recommends:

- be replaced with CS SB 28 (Fix)
- adopt previous CS _____
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to the _____ Committee

- Senate Bill:**
- same title
 - new title
- House Bill:**
- same title
 - technical change
 - new: SCR# _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>[Signature]</i>	✓	<i>[Signature]</i>	✓		
<i>[Signature]</i>	✓	<i>[Signature]</i>	✓		
		<i>[Signature]</i>	✓		
		<i>[Signature]</i>	✓		

*New DPS
fiscal note
coming.
same cost
but reduced or
revenue,*

(S): Date Zero Fiscal

Department	Date	Zero	Fiscal
DPS			58.8

PREVIOUS FISCAL NOTE(S):* Date Zero Fiscal

Department	Date	Zero	Fiscal
DEC	4/14/95		250.0

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

4/28/95 Okayed by Cam for
Sen. Sharp

+ by James for
Sen. Donley 9-LS0256R✓

CS FOR SENATE BILL NO. 28(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - FIRST SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:

Referred:

Sponsor(s): SENATORS DONLEY, Zharoff, Salo

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to transfer of motor vehicle ownership and motor vehicle
2 emissions inspection; and providing for an effective date."

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

4 * Section 1. AS 28.10.271 is amended by adding a new subsection to read:

5 (d) An emissions inspection and maintenance certificate shall be obtained when
6 ownership of a motor vehicle is transferred, if the

7 (1) transferee resides in an area designated by the Department of
8 Environmental Conservation as an emissions inspection and maintenance area;

9 (2) motor vehicle was manufactured in 1987 or earlier;

10 (3) motor vehicle would be subject to an emissions inspection and
11 maintenance program; and

12 (4) motor vehicle has not been inspected for emissions or the existing
13 emissions inspection certificate is more than 12 months old.

14 * Sec. 2. AS 28.10.421(a) is amended to read:

1 (a) Unless otherwise provided by law,

2 (1) the fees prescribed in this section shall be paid to the department
3 at the times provided under AS 28.10.108 and 28.10.111; and

4 (2) an additional fee of \$10 shall be added to the registration fee set
5 out in this section for registration not conducted by mail or not conducted at an
6 emissions inspection station offering vehicle registration services; the department
7 may waive this additional fee for a good cause based on criteria established in
8 regulations adopted by the department.

9 * Sec. 3. AS 28.10.423 is amended to read:

10 Sec. 28.10.423. EMISSION CONTROL INSPECTION PROGRAM FEES. In
11 addition to the annual registration fee specified in AS 28.10.421, a \$2 [\$1] fee is
12 imposed upon every vehicle required to be inspected under an emission control
13 program established under AS 46.14.400 or 46.14.510. This fee shall be collected at
14 the same time and in the same manner as the registration fee.

15 * Sec. 4. AS 46.14.400 is amended by adding new subsections to read:

16 (i) If a municipality or a local air quality district administering a program
17 under this section requires emissions inspection for a motor vehicle, emission
18 inspection may not be required more than once every two years.

19 (j) A person who operates a motor vehicle in violation of emissions
20 requirements imposed under this section is guilty of a violation and upon conviction
21 shall be fined \$200. It is the intent of the legislature that money collected under this
22 subsection be appropriated to promote air quality control programs in municipalities.

23 * Sec. 5. AS 46.14.510 is amended by adding new subsections to read:

24 (e) If the department adopts regulations requiring emissions inspection for a
25 motor vehicle, the department may not require the vehicle be inspected more than once
26 every two years.

27 (f) A person who operates a motor vehicle in violation of emissions
28 requirements imposed under this section is guilty of a violation and upon conviction
29 shall be fined \$200. It is the intent of the legislature that money collected under this
30 subsection be appropriated to control pollution from motor vehicle emissions.

31 * Sec. 6. AS 46.14.400(j), enacted in sec. 4 of this Act, and AS 46.14.510(f), enacted in

1 sec. 5 of this Act, take effect July 1, 1995.

2 * Sec. 7. Except as provided in sec. 6 of this Act, this Act takes effect July 1, 1996.

FISCAL NOTE

No. 4

Bill Version: CS SB28 (TRA)

(S) Publish Date: 4/19/95

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO.

Revision Date: 14-Apr-95
Title: Motor Vehicle Registration Fee/Emission Inspection
Sponsor: Senator Donley
Requestor: (S)TRA

Department Affected: Environmental Conservation
BRU: Environmental Quality
Component: Air Quality

COMPONENT SERIAL NO. 1428

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	250.0	50.0	50.0	50.0	50.0	50.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND&STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS,CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	250.0	50.0	50.0	50.0	50.0	50.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
----------------------	-----	-----	-----	-----	-----	-----

CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0
------------------------	-----	-----	-----	-----	-----	-----

FUND SOURCE

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	50.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipt	200.0	50.0	50.0	50.0	50.0	50.0
1006 GF/MHTIA	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY95) cont: 5 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.)

See Attached

Prepared by: Larry Jones
Division: Director, Division of Administrative Services

Phone: 465-5010
Date: 4/14/95

Approved by Commissioner: *[Signature]*
Agency: Department of Environmental Conservation

Date: 4/14/95

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Attachment for

FISCAL NOTE - Proposed SB28(s)

STATE OF ALASKA
DEPARTMENT OF ENVIRONMENTAL CONSERVATION

The existing vehicle inspection and maintenance (I/M) program requires vehicles to be inspected on an annual basis. Vehicle owners must provide the Division of Motor Vehicles with an I/M certificate indicating that the vehicle has passed the emissions test in order to register their vehicle. SB-28(s) would require vehicles subject to I/M programs to be inspected and certified on a biennial basis, rather than the annual basis. *

While providing relief to many vehicle owners, a biennial provision would make it harder to detect program evaders. A biennial program would provide owners who illegally register their vehicles to areas outside of an I/M program area, or who typically avoid registering their vehicles, a biennial opportunity to legally register their vehicles without dealing with the I/M requirements. In addition, the Department must treat each violator as a misdemeanor. Therefore, prosecution is expensive and time consuming. The combined conditions would encourage additional program evasion. The Department expects SB-28(s) to reduce program effectiveness by 5 to 15 percent. However, some of the reduction in effectiveness could be offset with minor program adjustments.

SB-28(s) addresses the enforcement concern by allowing a \$200 fine to be issued to an owner of a vehicle subject to an I/M program, which is caught being operated in an I/M area without a current and valid I/M certificate or sticker. The fine simplifies the enforcement effort and provides a relatively stiff penalty, which should help deter program evasion.

The proposed SB-28(s) would also allow the funds collected from the enforcement effort to be used by the Department to enhance the capability to electronically obtain and share enforcement related data with the Division of Motor Vehicles, and to conduct I/M enforcement efforts.

If SB-28(s) is passed, the Department would need \$250,000 in FY96 to for software development. The number of enforcement case loads would increase some, but could be handled by existing staff. The language concerning violations need to be put into both AS 28 and AS 46.14.510.

SENATE FINANCE COMMITTEE

SB 28 MOTOR VEHICLE REG FEE/EMISS'N INSPECTIONS

PLEASE SIGN IN BELOW

NAME: Juanita Hensley
Co./DEPT./TITLE: DPS/Dmv PHONE: 2650
ADDRESS: Box 20020 ZIP: 99802
DO YOU WISH TO TESTIFY? YES NO RESPOND TO QUESTIONS

NAME: Ron King
Co./DEPT./TITLE: DEC PHONE: 5100
ADDRESS: 410 Willoughby Ave ZIP: 99801
DO YOU WISH TO TESTIFY? YES NO RESPOND TO QUESTIONS

NAME: _____
Co./DEPT./TITLE: _____ PHONE: _____
ADDRESS: _____ ZIP: _____
DO YOU WISH TO TESTIFY? YES NO RESPOND TO QUESTIONS

NAME: _____
Co./DEPT./TITLE: _____ PHONE: _____
ADDRESS: _____ ZIP: _____

FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO: CSSB 28(FIN)

Revision Date: 4/28/95 Dept. Affected: Public Safety
 Title: An Act repealing an additional fee for motor BRU: Motor Vehicles
vehicle registration not conducted by mail... Component: Field Services
 Sponsor: Senator Doniev
 Requestor: S. FIN. COMPONENT SERIAL NO. 0502

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

	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
OPERATING						
PERSONAL SERVICES	36.1	36.1	36.1	36.1	36.1	36.1
TRAVEL						
CONTRACTUAL	12.7	1.5	1.5	1.5	1.5	1.5
SUPPLIES						
EQUIPMENT	10.0					
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	58.8	37.6	37.6	37.6	37.6	37.6

CAPITAL EXPENDITURES	-0-	-0-	-0-	-0-	-0-	-0-
----------------------	-----	-----	-----	-----	-----	-----

CHANGE IN REVENUES (1005) Revenue Code						
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FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GE Match						
1004 GE	58.8	37.6	37.6	37.6	37.6	37.6
1005 GE/Program Receipts						
1006 GE/MHTIA						
Other						
TOTAL	58.8	37.6	37.6	37.6	37.6	37.6

Estimate of current year (FY 95) impact: \$ _____

POSITIONS:

FULL-TIME	1	1	1	1	1	1
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary.)

See attached

Prepared By: Juanita M Hensley Phone: 269-5559
 Division: Motor Vehicles Date: 4/29/95
 Approved by Commissioner: Ronald L. Otte Date: _____
 Agency: Ronald L. Otte, Dept. of Public Safety

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Analysis

In the emission inspection areas of Anchorage and Fairbanks there were 40,000 ownership changes in 1993 and 30,000 in 1994. For this analysis the average figure of 35,000 ownership changes will be used. This is the total number of vehicles that must be checked to see if they meet the requirement of having an additional I/M inspection at change of ownership. The DMV employee must determine if the vehicle meets the general age and weight criteria for inspections, whether the vehicle is 1987 model or older, and whether the vehicle has had an inspection within the last year. This checking will increase the average time for each transaction because only a portion of it can be automated. Additional time will be required to explain the requirements to owners and for the second visit required by those who do not meet the requirements on the first visit.

Since the circumstances vary so much it is not practical to quantify each individual transaction but it is estimated that this additional work will increase the overall workload by 1% so DMV will increase staffing by 1% or 1 PFT. The cost detail for the one PFT is as follows:

1 Motor Vehicle Rep III	\$36.1
DP costs for 1 APSIN terminal	\$.5
Equipment, 1 computer workstation	\$10.0
150 Hours of Contract Programming @ \$75 Hr..(One-time costs)	\$11.2
Data center charge for on line storage	\$ 1.0
Total	\$59.9



SENATOR DAVE DONLEY

ALASKA STATE LEGISLATURE

Sectional Analysis for Senate Bill 28

Section #1 - Intent language that appropriates the money collected from the additional fees set in sections 4, 5, and 6 to fund the Division of Motor Vehicles (DMV) field offices.

Section #2 - Requires an additional I/M inspection and maintenance certificate in order to transfer the title of a vehicle if

- 1) the transferee resides in an I/M inspection area.
- 2) the motor vehicle was manufactured in 1987 or earlier.
- 3) the motor vehicle would be subject to an emissions inspection and maintenance program.
- 4) the motor vehicle had not been inspected for emissions or the existing emissions inspection certificate is more than 12 months old.

Section #3, 4, 5 & 6 - restructures the fees levied by DMV for certain motor vehicle registrations.

Section #7 - Increases the fee collected by DMV for vehicles required to be inspected under an emission control program from \$1 to \$2. This increase would offset the loss of revenue DMV would incur should biennial testing be implemented.

Section #8 & 9 - Provides an enforcement provision that would fine owners of motor vehicles \$200 if they are found guilty of operating their vehicle without a current and valid I/M certificate or sticker. There is also intent language that would allow the Department of Environmental Conservation (DEC) to appropriate the monies collected from these fines for promotion of air quality control programs and enforcement procedures in municipalities. DEC would begin enforcement of this infraction on July 1, 1995.

Section #10 - Provides for an effective date of July 1, 1996 which would allow DMV and DEC adequate time to implement the changes incorporated in this bill.

DD/jja

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MEMBER: Senate Finance Committee • Senate State Affairs Committee

Printed in House



SENATOR DAVE DONLEY

ALASKA STATE LEGISLATURE

Sponsor Statement

for

Senate Bill 28

An Act to allow biennial motor vehicle emission inspection testing

Senate Bill 28 would allow automobile emission inspection tests to be biennial rather than annual saving thousands of Alaskans both time and money. SB 28 gives the Department of Environmental Conservation (DEC) some additional emission inspection authority with which the DEC believes they can obtain approval for biennial testing from the U.S. Environmental Protection Agency (EPA). The bill was amended in the Transportation committee to additionally restructure the fees levied by the Division of Motor Vehicles (DMV) for certain motor vehicle registrations. These fee modifications are not related to I/M testing.

EPA has dictated that the Municipality of Anchorage (MOA) and the Fairbanks North Star Borough (FNSB) attain compliance with National Ambient Air Quality Standard. The MOA and FNSB have developed I/M programs designed to meet the minimum performance standard established by EPA. EPA must approve each of their I/M programs annually.

EPA provides a motor vehicle emissions model which contains certain guidelines and steps that demonstrate ways a community can achieve the National Ambient Air Quality Standard. If biennial testing is implemented, other steps or restrictions may be required by EPA in order to attain the Ambient Air Quality Standard.

If biennial I/M testing is implemented, SB 28 would require an I/M inspection certificate in order to transfer the title of the vehicle. This additional requirement applies if the transferee resides in an I/M inspection area, if the motor vehicle was manufactured in 1987 or earlier, if the motor vehicle is subject to an emissions inspection maintenance program, and if the motor vehicle had not been inspected for emissions or the existing inspection certificate is more than 12 months old.

Persons operating motor vehicles in an I/M containment area without a current valid emissions inspection and maintenance certificate would face a stiffer penalty under SB 28. This infraction would only apply to those vehicles who are subject to an emissions inspection and maintenance program. DEC would begin enforcement of this infraction on July 1, 1995.

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MEMBER: Senate Finance Committee • Senate State Affairs Committee

Printed in House

These additional provisions were added to allow the MOA and FNSB to achieve the minimum performance standard as established by EPA for a basic I/M program.

SB 28 also adds intent language that would allow DMV to appropriate the monies collected from these fees to fund DMV field offices. There is additional intent language that would allow DEC to appropriate the monies collected from the additional fines to promote air quality control programs and enforcement procedures in municipalities.

Both the DEC and DMV support SB 28.

FISCAL NOTE

No. 3

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO:

Bill Version: CSSB 28 (TRA)

(S) Publish Date: 4/19/95

Revision Date: 4/19/95 Dept. Affected: Public Safety
 Title: Motor vehicle reg. fee/emmission inspections BRU: Motor Vehicles
 Component: Field Services
 Sponsor: Senator Donley
 Requestor: S. TRA. COMPONENT SERIAL NO. 0502

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

OPERATING	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES	36.1	36.1	36.1	36.1	36.1	36.1
TRAVEL						
CONTRACTUAL	12.7	1.5	1.5	1.5	1.5	1.5
SUPPLIES						
EQUIPMENT	10.0					
LAND & STRUCTURES						
GRANTS CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	58.8	37.6	37.6	37.6	37.6	37.6
CAPITAL EXPENDITURES	-0-	-0-	-0-	-0-	-0-	-0-
CHANGE IN REVENUES (1005) Revenue Code	2550.0	2550.0	2550.0	2550.0	2550.0	2550.0

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts	58.8	37.6	37.6	37.6	37.6	37.6
1006 GF/MHTIA						
Other						
TOTAL	58.8	37.6	37.6	37.6	37.6	37.6

Estimate of current year (FY 95) impact: \$ _____

POSITIONS:

FULL-TIME	1	1	1	1	1	1
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary.)

See attached

Prepared By: Charles R. Hosack Phone: 269-5559
 Division: Motor Vehicles Date: 4/19/95
 Approved by Commissioner: Ronald L. Otte Date: 4-19-95
 Agency: Ronald L. Otte, Dept. of Public Safety

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Analysis

In the emission inspection areas of Anchorage and Fairbanks there were 40,000 ownership changes in 1993 and 30,000 in 1994. For this analysis the average figure of 35,000 ownership changes will be used. This is the total number of vehicles that must be checked to see if they meet the requirement of having an additional I/M inspection at change of ownership. The DMV employee must determine if the vehicle meets the general age and weight criteria for inspections, whether the vehicle is 1987 model or older, and whether the vehicle has had an inspection within the last year. This checking will increase the average time for each transaction because only a portion of it can be automated. Additional time will be required to explain the requirements to owners and for the second visit required by those who do not meet the requirements on the first visit.

Since the circumstances vary so much it is not practical to quantify each individual transaction, but it is estimated that this additional work will increase the overall workload by 1%, so DMV will increase staffing by 1% or 1 PFT. The fee increases will require changes to the registration computer systems and the reports generated by the system and passed to the state accounting system. This work will be done by contract since all existing staff is fully committed. The total operating costs are as follows:

	FY96	FY97
1 Motor Vehicle Rep I/II	\$36.1	\$36.1
DP costs for 1 APSIN terminal	\$.5	\$.5
Equipment, 1 computer workstation (One-time costs)	\$10.0	
150 hours of contract programming @ \$75 Hr..(One-time costs)	\$11.2	
Data center charge for on line storage	\$ 1.0	\$ 1.0
TOTAL	\$58.8	\$37.6

Revenue

This bill eliminates the \$10 fee for registrations not done by mail. In place of this all registration fees are increased by \$10 but there is a \$10 reduction incentive if the registration is done by mail. On the surface it would appear that this would not affect the revenue but in actuality this will increase revenue by some amount. Under the current statute, DMV adopted regulation defining circumstances in which the \$10 fee could be waived. Some examples would be an owner who needs to do another transaction on that same vehicle such as a title change or plate change or registrations dropped off at the dealer/ fleet section. Another example is the emission station program where the stations do all the work of registration including data entry for DMV at no charge. The \$10 fee is not collected for these transactions because there is no impact on DMV.

In all these examples the owners would pay the new increased registration fee because the renewal was not done by mail. The emission inspection stations are already averaging over 150 registrations per day and this program is expanding to more stations in more areas. The net increase in revenue from this alone would be \$500,000. In 1994 the \$10 fee was waived for 15% of the registrations or approximately 65,000 vehicles. This would generate an additional \$650,000 in new revenue. The final source of new revenue would be new vehicles or vehicles from out of state that are being registered for the first time in Alaska. These vehicles would pay the increased fee because this is an original transaction involving a title and that cannot be done by mail. In 1994 there were approximately 140,000 registrations and this would generate \$1,400,000 in new revenue. The total new revenue from all of these sources would be \$2,550,000.

FISCAL NOTE

No. 2

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO: _____

Bill Version: SB 28

(S) Publish Date: 4/19/95

Revision Date: 2/3/95 Dept. Affected: Public Safety
 Title: An Act repealing an additional fee for motor BRU: Motor Vehicles
vehicle registration not conducted by mail.... Component: Field Services
 Sponsor: Senator Donley
 Requestor: S. TRA. COMPONENT SERIAL NO. 0502

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

OPERATING	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL EXPENDITURES	-0-	-0-	-0-	-0-	-0-	-0-
CHANGE IN REVENUES (1005)	(1,100.0)	(1,100.0)	(1,100.0)	(1,100.0)	(1,100.0)	(1,100.0)
Revenue Code						

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

Estimate of current year (FY 95) impact: \$ _____

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.) SB 28 repeals the \$10 fee for those owners who do not renew their annual vehicle registration by mail. In FY 94 approximately 110,000 vehicle owners paid this fee generating \$1,100,000 in revenue. This amount of revenue is estimated to be the average amount for future years also. Passage of this bill will result in a loss of revenue and longer lines at Division of Motor Vehicle field offices.

Prepared By: Juanita Hensley Phone: 465-2650
 Division: Motor Vehicles Date: 2/7/95
 Approved by Commissioner: *Ronald L. Ote* Date: 2/7/95
 Agency: Ronald L. Ote, Dept. of Public Safety

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FISCAL NOTE

No. 1

Bill Version: SB 28

(S) Publish Date: 4/19/95

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO-

Revision Date: 24-Mar-95
Title: Motor Vehicle Registration Fee/Emission Inspection
Sponsor: Senator Donley
Requestor: (S)TRA

Department Affected: Environmental Conservation
BRU: Environmental Quality
Component: Air Quality

COMPONENT SERIAL NO. 1428

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES	130.0	130.0	130.0	130.0	130.0	130.0
TRAVEL	12.0	12.0	12.0	12.0	12.0	12.0
CONTRACTUAL	100.0	100.0	100.0	100.0	100.0	100.0
SUPPLIES	8.0	3.0	8.0	8.0	3.0	3.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND&STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	250.0	250.0	250.0	250.0	250.0	250.0
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0

FUND SOURCE

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	250.0	250.0	250.0	250.0	250.0	250.0
1005 GF/Program Receipt	0.0	0.0	0.0	0.0	0.0	0.0
1006 GF/MHTIA	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY95) cost: 5 0.0

POSITIONS:

FULL-TIME	2	2	2	2	2	2
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary.)

See Attached

Prepared by: Larry Jones
Division: Director, Division of Administrative Services

Phone: 465-5010
Date: 4/14/95

Approved by Commissioner: [Signature]
Agency: Department of Environmental Conservation

Date: 4/14/95

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Attachment for

FISCAL NOTE - SB28

STATE OF ALASKA
DEPARTMENT OF ENVIRONMENTAL CONSERVATION

The existing vehicle inspection and maintenance (I/M) program requires vehicles to be inspected on an annual basis. Vehicle owners must provide the Division of Motor Vehicles with an I/M certificate indicating that the vehicle has passed the emissions test in order to register their vehicle. SB-28 would require vehicles subject to I/M programs to be inspected and certified on a biennial basis, rather than the annual basis.

While providing relief to many vehicle owners, a biennial provision would make it harder to detect program evaders. A biennial program would provide owners who illegally register their vehicles to areas outside of an I/M program area, or who typically avoid registering their vehicles, a biennial opportunity to legally register their vehicles without dealing with the I/M requirements. This opportunity could encourage program evasion. The Department expects SB-28 to reduce program effectiveness by 10 to 15 percent.

The Department presently has a case load of 4,000 potential program evaders. With a biennial program, the case load would likely double. In addition, the Department must treat each violator as a misdemeanor. Therefore, prosecution is expensive and time consuming.

If SB-28 is adopted in its current form, the Department would be faced with major enforcement efforts that would require, at a minimum, two new employees and additional time from the Department of Law to process the misdemeanor citations. Because of the level of effort involved with this form of enforcement, the Department believes these costs would be incurred annually, as indicated in the Fiscal Note.



SENATOR DAVE DONLEY
ALASKA STATE LEGISLATURE

MEMORANDUM

RECEIVED

APR 25 REC'D

DATE: April 25, 1995

TO: Senator Rick Halford
Chair, Senate Finance Committee

FROM: Senator Dave Donley *DD*

RE: Senate Bill 28 (relating to biennial emission inspections)

I request that you schedule SB 28, relating to biennial emission inspections for automobiles, for a hearing in your committee.

Senate Bill 28 would allow automobile emission inspection tests to be biennial rather than annual saving thousands of Alaskans both time and money. This bill also restructures the fees levied by the Division of Motor Vehicles for certain vehicle registrations. Both the Department of Environmental Conservation and the Division of Motor Vehicles support this bill.

If you have additional questions please contact James Armstrong of my staff at 465-3892.

DD/jja

FISCAL NOTE

No. 4

Bill Version: CS SB 28 (TRA)

(S) Publish Date: 4/19/95

**STATE OF ALASKA
1995 LEGISLATIVE SESSION**

BILL NO. _____

Revision Date: 14-Apr-95
 Title: Motor Vehicle Registration Fee/Emission Inspection
 Sponsor: Senator Donley
 Requestor: (S)TRA

Department Affected: Environmental Conservation
 BRU: Environmental Quality
 Component: Air Quality

COMPONENT SERIAL NO. 1428

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	250.0	50.0	50.0	50.0	50.0	50.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	250.0	50.0	50.0	50.0	50.0	50.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
----------------------	-----	-----	-----	-----	-----	-----

CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0
------------------------	-----	-----	-----	-----	-----	-----

FUND SOURCE

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	50.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipt	200.0	50.0	50.0	50.0	50.0	50.0
1006 GF/MHTIA	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY95) cost: \$ 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.)

See Attached

Prepared by: Larry Jones
 Division: Director, Division of Administrative Services

Phone: 465-5010
 Date: 4/14/95

Approved by Commissioner: *[Signature]*
 Agency: Department of Environmental Conservation

Date: 4/14/95

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Attachment for

FISCAL NOTE - Proposed SB28(s)

**STATE OF ALASKA
DEPARTMENT OF ENVIRONMENTAL CONSERVATION**

The existing vehicle inspection and maintenance (I/M) program requires vehicles to be inspected on an annual basis. Vehicle owners must provide the Division of Motor Vehicles with an I/M certificate indicating that the vehicle has passed the emissions test in order to register their vehicle. SB-28(s) would require vehicles subject to I/M programs to be inspected and certified on a biennial basis, rather than the annual basis. *

While providing relief to many vehicle owners, a biennial provision would make it harder to detect program evaders. A biennial program would provide owners who illegally register their vehicles to areas outside of an I/M program area, or who typically avoid registering their vehicles, a biennial opportunity to legally register their vehicles without dealing with the I/M requirements. In addition, the Department must treat each violator as a misdemeanor. Therefore, prosecution is expensive and time consuming. The combined conditions would encourage additional program evasion. The Department expects SB-28(s) to reduce program effectiveness by 5 to 15 percent. However, some of the reduction in effectiveness could be offset with minor program adjustments.

SB-28(s) addresses the enforcement concern by allowing a \$200 fine to be issued to an owner of a vehicle subject to an I/M program, which is caught being operated in an I/M area without a current and valid I/M certificate or sticker. The fine simplifies the enforcement effort and provides a relatively stiff penalty, which should help deter program evasion.

The proposed SB-28(s) would also allow the funds collected from the enforcement effort to be used by the Department to enhance the capability to electronically obtain and share enforcement related data with the Division of Motor Vehicles, and to conduct I/M enforcement efforts.

If SB-28(s) is passed, the Department would need \$250,000 in FY96 to for software development. The number of enforcement case loads would increase some, but could be handled by existing staff. The language concerning violations need to be put into both AS 28 and AS 46.14.510.

SENATE COMMITTEE REPORT

DATE: 4/19/95

FURTHER: Finance

DATE TURNED INTO OFFICE: 4-20-95

Labor and Commerce Committee considered SENATE BILL NO. 28

Repealing an additional fee for motor vehicle registration not conducted by mail and limiting motor vehicle emissions inspection to once every two years.

and recommends:

- be replaced with CS SB 28 (LEC)
- adopt previous CS
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to the _____ Committee

Senate Bill:

same title

new title

House Bill:

same title

technical change

new: SCR? _____

SIGNING <u>DO</u> PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
		<i>[Signature]</i>	<input checked="" type="checkbox"/>		
		<i>Judith E. Salo</i>	<input checked="" type="checkbox"/>		
CHAIR: <i>Tim Kelly</i>	<input checked="" type="checkbox"/>				

NEW FISCAL NOTE(S):

Department Date Zero Fiscal

Department	Date	Zero	Fiscal

PREVIOUS FISCAL NOTE(S):*

Department Date Zero Fiscal

Department	Date	Zero	Fiscal
DPS	4/19		58
DEC	4/14		250.

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

SENATE COMMITTEE REPORT
First Committee of Referral

DATE: 1/16/95

FURTHER: Labor and Commerce
 Finance

John Date of 5-Day Notice: 3/23/95
 (in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 4/19/95

Transportation Committee considered SENATE BILL NO. 28

"An Act repealing an additional fee for motor vehicle registration not conducted by mail and limiting motor vehicle emissions inspection to once every two years."

FN's

and recommends:

- be replaced with _____ CS SB 28 (TRA)
- adopt previous _____ CS _____
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to the _____ Committee

- Senate Bill: same title
- new title
- House Bill: technical change
- new: SCR# _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>Robin L. Taylor</i>	<input checked="" type="checkbox"/>	<i>[Signature]</i>	<input checked="" type="checkbox"/>		
<i>[Signature]</i>	<input checked="" type="checkbox"/>				
<i>Lyle Green</i>	<input checked="" type="checkbox"/>				
CHAIR: <i>Alvin Kiser</i>	<input checked="" type="checkbox"/>				

NEW FISCAL NOTE(S):

Department Date Zero Fiscal

CS	Environmental Conservation ^{#4}	4/14/95		250.0
CS	Public Safety ^{#3}	4/19/95		58.8
SB	DEC #1	4/14		250.0
SB	DPS #2	2/7		(1100.0)

PREVIOUS FISCAL NOTE(S):*

Department Date Zero Fiscal

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

FISCAL NOTE

#1

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO. SB-28

Revision Date: 24-Mar-95
 Title: Motor Vehicle Registration Fee/Emission Inspection
 Sponsor: Senator Donley
 Requestor: (S)TRA

Department Affected: Environmental Conservation
 BRU: Environmental Quality
 Component: Air Quality

COMPONENT SERIAL NO. 1428

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES	130.0	130.0	130.0	130.0	130.0	130.0
TRAVEL	12.0	12.0	12.0	12.0	12.0	12.0
CONTRACTUAL	100.0	100.0	100.0	100.0	100.0	100.0
SUPPLIES	8.0	8.0	8.0	8.0	8.0	8.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	250.0	250.0	250.0	250.0	250.0	250.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0
------------------------	-----	-----	-----	-----	-----	-----

FUND SOURCE

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	250.0	250.0	250.0	250.0	250.0	250.0
1005 GF/Program Receipt	0.0	0.0	0.0	0.0	0.0	0.0
1006 GF/MHTIA	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY95) cost: \$ 0.0

POSITIONS:

FULL-TIME	2	2	2	2	2	2
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary.)

See attached

Prepared by: Larry Jones
 Division: Director, Division of Administrative Services

Phone: 465-5010
 Date: 4/14/95

Approved by Commissioner: 
 Agency: Department of Environmental Conservation

Date: 4/14/95

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Attachment for

FISCAL NOTE - SB28

**STATE OF ALASKA
DEPARTMENT OF ENVIRONMENTAL CONSERVATION**

The existing vehicle inspection and maintenance (I/M) program requires vehicles to be inspected on an annual basis. Vehicle owners must provide the Division of Motor Vehicles with an I/M certificate indicating that the vehicle has passed the emissions test in order to register their vehicle. SB-28 would require vehicles subject to I/M programs to be inspected and certified on a biennial basis, rather than the annual basis.

While providing relief to many vehicle owners, a biennial provision would make it harder to detect program evaders. A biennial program would provide owners who illegally register their vehicles to areas outside of an I/M program area, or who typically avoid registering their vehicles, a biennial opportunity to legally register their vehicles without dealing with the I/M requirements. This opportunity could encourage program evasion. The Department expects SB-28 to reduce program effectiveness by 10 to 15 percent.

The Department presently has a case load of 4,000 potential program evaders. With a biennial program, the case load would likely double. In addition, the Department must treat each violator as a misdemeanor. Therefore, prosecution is expensive and time consuming.

If SB-28 is adopted in its current form, the Department would be faced with major enforcement efforts that would require, at a minimum, two new employees and additional time from the Department of Law to process the misdemeanor citations. Because of the level of effort involved with this form of enforcement, the Department believes these costs would be incurred annually, as indicated in the Fiscal Note.

#2 2113195
 (S) TRA, L³C,
 FIN

FISCAL NOTE

STATE OF ALASKA
 1995 LEGISLATIVE SESSION

BILL NO: SB 28

Revision Date: 2/3/95 Dept. Affected: Public Safety
 Title: An Act repealing an additional fee for motor BRU: Motor Vehicles
vehicle registration not conducted by mail.... Component: Field Services
 Sponsor: Senator Donley
 Requestor: S. TRA. COMPONENT SERIAL NO. 0502

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

	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
OPERATING						
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL EXPENDITURES	-0-	-0-	-0-	-0-	-0-	-0-
CHANGE IN REVENUES (1005)	(1,100.0)	(1,100.0)	(1,100.0)	(1,100.0)	(1,100.0)	(1,100.0)
Revenue Code						

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GE Match						
1004 GE						
1005 GE/Program Receipts						
1006 GE/MHTIA						
Other						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

Estimate of current year (FY 95) impact: \$ _____

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.) SB 28 repeals the \$10 fee for those owners who do not renew their annual vehicle registration by mail. In FY 94 approximately 110,000 vehicle owners paid this fee generating \$1,100,000 in revenue. This amount of revenue is estimated to be the average amount for future years also. Passage of this bill will result in a loss of revenue and longer lines at Division of Motor Vehicle field offices.

Prepared By: Juanita Hensley Phone: 465-2650
 Division: Motor Vehicles Date: 2/7/95
 Approved by Commissioner: *Ronald L. Otto* Date: 2/7/95
 Agency: Ronald L. Otto, Dept. of Public Safety

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SB 28

FISCAL NOTE

3

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO: CSSB 28(TRA)

Revision Date: 4/19/95 Dept. Affected: Public Safety
 Title: Motor vehicle reg. fec/emmission inspections BRU: Motor Vehicles
 Component: Field Services
 Sponsor: Senator Donley
 Requestor: S. TRA. COMPONENT SERIAL NO. 0502

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

OPERATING	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES	36.1	36.1	36.1	36.1	36.1	36.1
TRAVEL						
CONTRACTUAL	12.7	1.5	1.5	1.5	1.5	1.5
SUPPLIES						
EQUIPMENT	10.0					
LAND & STRUCTURES						
GRANTS CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	58.8	37.6	37.6	37.6	37.6	37.6

CAPITAL EXPENDITURES	-0-	-0-	-0-	-0-	-0-	-0-
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CHANGE IN REVENUES (1006) Revenue Code	2550.0	2550.0	2550.0	2550.0	2550.0	2550.0
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FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts	58.8	37.6	37.6	37.6	37.6	37.6
1006 GF/MHTIA						
Other						
TOTAL	58.8	37.6	37.6	37.6	37.6	37.6

Estimate of current year (FY 95) Impact: \$ _____

POSITIONS:

FULL-TIME	1	1	1	1	1	1
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary.)

See attached

Prepared By: Charles R. Hosack Phone: 269-5559
 Division: Motor Vehicles Date: 4/19/95
 Approved by Commissioner: Ronald L. Otte Date: 4-19-95
 Agency: Ronald L. Otte, Dept. of Public Safety

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Analysis

In the emission inspection areas of Anchorage and Fairbanks there were 40,000 ownership changes in 1993 and 30,000 in 1994. For this analysis the average figure of 35,000 ownership changes will be used. This is the total number of vehicles that must be checked to see if they meet the requirement of having an additional I/M inspection at change of ownership. The DMV employee must determine if the vehicle meets the general age and weight criteria for inspections, whether the vehicle is 1987 model or older, and whether the vehicle has had an inspection within the last year. This checking will increase the average time for each transaction because only a portion of it can be automated. Additional time will be required to explain the requirements to owners and for the second visit required by those who do not meet the requirements on the first visit.

Since the circumstances vary so much it is not practical to quantify each individual transaction, but it is estimated that this additional work will increase the overall workload by 1%, so DMV will increase staffing by 1% or 1 PFT. The fee increases will require changes to the registration computer systems and the reports generated by the system and passed to the state accounting system. This work will be done by contract since all existing staff is fully committed. The total operating costs are as follows:

	FY96	FY97
1 Motor Vehicle Rep I/II	\$36.1	\$36.1
DP costs for 1 APSIN terminal	\$.5	\$.5
Equipment, 1 computer workstation (One-time costs)	\$10.0	
150 hours of contract programming @ \$75 Hr..(One-time costs)	\$11.2	
Data center charge for on line storage	\$ 1.0	\$ 1.0
TOTAL	\$58.8	\$37.6

Revenue

This bill eliminates the \$10 fee for registrations not done by mail. In place of this all registration fees are increased by \$10 but there is a \$10 reduction incentive if the registration is done by mail. On the surface it would appear that this would not affect the revenue but in actuality this will increase revenue by some amount. Under the current statute, DMV adopted regulation defining circumstances in which the \$10 fee could be waived. Some examples would be an owner who needs to do another transaction on that same vehicle such as a title change or plate change or registrations dropped off at the dealer/ fleet section. Another example is the emission station program where the stations do all the work of registration including data entry for DMV at no charge. The \$10 fee is not collected for these transactions because there is no impact on DMV.

In all these examples the owners would pay the new increased registration fee because the renewal was not done by mail. The emission inspection stations are already averaging over 150 registrations per day and this program is expanding to more stations in more areas. The net increase in revenue from this alone would be \$500,000. In 1994 the \$10 fee was waived for 15% of the registrations or approximately 65,000 vehicles. This would generate an additional \$650,000 in new revenue. The final source of new revenue would be new vehicles or vehicles from out of state that are being registered for the first time in Alaska. These vehicles would pay the increased fee because this is an original transaction involving a title and that cannot be done by mail. In 1994 there were approximately 140,000 registrations and this would generate \$1,400,000 in new revenue. The total new revenue from all of these sources would be \$2,550,000.

FISCAL NOTE

#4

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO. SB-28(s)

Revision Date: 14-Apr-95
 Title: Motor Vehicle Registration Fee/Emission Inspection
 Sponsor: Senator Donley
 Requestor: (S)TRA

Department Affected: Environmental Conservation
 BRU: Environmental Quality
 Component: Air Quality

COMPONENT SERIAL NO. 1428

Expenditures/Revenues: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	250.0	50.0	50.0	50.0	50.0	50.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND&STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	250.0	50.0	50.0	50.0	50.0	50.0
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0

FUND SOURCE

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	50.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipt	200.0	50.0	50.0	50.0	50.0	50.0
1006 GF/MHTIA	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY95) cost: \$ 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.)

See Attached

Prepared by: Larry Jones
 Division: Director, Division of Administrative Services

Phone: 465-5010
 Date: 4/14/95

Approved by Commissioner: *[Signature]*
 Agency: Department of Environmental Conservation

Date: 4/14/95

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**STATE OF ALASKA
DEPARTMENT OF ENVIRONMENTAL CONSERVATION**

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The proposed SB-28(s) would also allow the funds collected from the enforcement effort to be used by the Department to enhance the capability to electronically obtain and share enforcement related data with the Division of Motor Vehicles, and to conduct I/M enforcement efforts.

If SB-28(s) is passed, the Department would need \$250,000 in FY96 to for software development. The number of enforcement case loads would increase some, but could be handled by existing staff. The language concerning violations need to be put into both AS 28 and AS 46.14.510.