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FISCAL NOTE REPORTED OUT OF

Bill Version: E.O. 98
(H) Publish Date: 1/13/97

STATE OF ALASKA
17 LEGISLATIVE SESSION

HFC

Revision Date: _____
 Title: Executive Order transferring the Division of
Measurement Standards to DOT/PF
 Sponsor: Business Committee
 Requestor: Governor

Department: Commerce and Economic Development
 BRU: Measurement Standards
 Component: Measurement Standards

COMPONENT SERIAL NO. 349

Expenditures/Revenues

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES						
TRAVEL						
NON-CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

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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NET SOURCE

(Thousands of Dollars)

02 Federal Receipts						
03 GF Match						
04 General Fund						
05 GF/Program Receipts						
06 GF/MHT/A						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY 97) 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)

This illustrates the fiscal impact of an Executive Order transferring the functions of the Division of Measurement Standards in the Department of Commerce and Economic Development to the Department of Transportation and Public Facilities (DOT/PF). The transfer of the Division of Measurement Standards will have no net fiscal impact; the full amount of funding will be transferred from DCED to DOT/PF by budget amendment.

Prepared by: Edward Moses
 Division: Measurement Standards
 Approved by Commissioner: William L. Hensley
 Agency: Commerce and Economic Development

Phone: 345-7750
 Date: 3 January, 1997
 Date: 1-6-97

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STATE OF ALASKA
1997 LEGISLATIVE SESSION

REPORTED OUT OF
HFC

BILL NO: (H) Publish Date: 1/13/97

Revision Date: _____ Dept. Affected: Public Safety
 Title: Executive Order - Transferring certain BRU: Alaska State Troopers
functions of CVE to DOT/PF Component: Commercial Vehicle Enforcement
 Sponsor: Rules
 Requestor: Governor COMPONENT SERIAL NO. 1235

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

OPERATING	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
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 () Revenue Code	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GE Match						
1004 GE						
1005 GE/Program Receipts						
1008 GE/MHTIA						
Other						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-


Estimate of current year (FY 97) 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.)

Funding and positions will be transferred from the Department of Public Safety to the Department of Transportation and Public Facilities by submission of a budget amendment.

Prepared By: Sandy Perry-Provost, Special Assistant to the Commissioner Phone: 465-4322
 Division: Commissioners Office Date: 1/6/97
 Approved by Commissioner:  Date: 1/6/97
 Agency: Ronald L. Otte, Dept. of Public Safety

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STATE OF ALASKA
997 LEGISLATIVE SESSION

FISCAL NOTE
REPORTED OUT OF
HFC

(H) Publish Date: 1/13/97

Revision Date: _____ Dept. Affected: DOT&PF
 Title: Transfer of certain DPS and DCED functions BRU: Office of the Commissioner
To DOT Component: Commissioner's Office
 Sponsor: Rules Committee
 Requester: Governor COMPONENT SERIAL NO. 530

Expenditures/Revenues

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
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

(Thousands of Dollars)

002 Federal Receipts						
003 GF Match						
004 GF						
005 GF/Program Receipts						
008 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY97) 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)

Transfer of functions is expected to occur on July 1 1997 and will involve budget amendments which will transfer the appropriate funding and positions from DPS and DCED to DOT&PF

Prepared by: Sam Kito III Phone: 465-3900
 Division: Office of the Commissioner Date: _____
 Approved by: [Signature] Date: _____
 Agency: Department of Transportation and Public Facilities
 Special Assistant
 Commissioner

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MEMORANDUM**STATE OF ALASKA**
Department of Commerce &
Economic Development
Division of Measurement Standards

To: Boyd Brownfield, Deputy Commissioner
DOT&PF

Date: January 23, 1998

Telephone: 907-345-7750

Thru:

Fax: 907-345-6835

From: Edward Moses, Director

Subject: Support for
Executive Order 98

File No.:

The Division of Measurement Standards currently consists of the sections of Weights & Measures, the State's Metrology Lab, Over/Weight and Over/Size Permits, Weigh Station Operations, the Air Carriers Compliance Program, and administrative support services that together consist of 45 permanent full time and seven permanent part-time employees. They perform the statutory mandated services that are essential for public protection and for maintenance of a healthy economy by protecting the motoring public through the control of oversize/overweight vehicles and loads on the highway system; by providing an assurance of financial responsibility of all intrastate air carriers that carry passengers or freight for hire; by inspecting and testing commercial weighing and measuring devices used in the market place to determine the cost of goods or services sold; and by providing an assurance that commodities purchased contain the net content advertised on the appropriate label.

On July 1, 1982, the Division of Measurement Standards was created within the Department of Commerce & Economic Development (DCED). At that time, the Alaska State legislature transferred responsibility of oversize and overweight permits, and the operation of all State weigh stations from the Department of Public Safety to this newly formed Division within DCED.

For over a decade the Division of Measurement Standards has consistently faced an under funding problem for its commercial vehicle enforcement program. It is the Division's belief that by combining commercial vehicle safety inspections, secondary size and weight enforcement and insurance verification with the Division of Measurement Standards (which currently operates the fixed weigh stations, and issues oversize and overweight permits), efficiencies would be gained in the administration of a combined program and the unification of the three fragmented departments (DOT&PF, DPS, DC&ED).

01/23/97

A committee, Alaska Commercial Truck Transportation Advisory committee (ACTTAC), was formed consisting of members of the Federal Highway Administration, Alaska Commercial Truck Enforcement, Trucking Industry, Teamsters and occasionally local government officials to address commercial vehicle enforcement issues during monthly meetings. The committee members took an active role in attempting to improve the hours of weigh station operations, improve the number of commercial vehicle safety inspections, and secondary size and weight (portable) enforcement. The committee felt it would improve the performance of the program if it was consolidated and placed under the control of DOT, reporting to the Deputy Commissioner as it is a State wide enforcement program.

It is also the belief of the Alaska Trucking Association, the Alaska Teamsters, the Federal Highway Administration, and the affected State officials that merging and placing the newly combined commercial vehicle enforcement program under one agency would strengthen efforts to obtain funding for operating the program at an acceptable level that meets the needs of all enforcement agencies and industry.

The management and staff of the Division of Measurement Standards is very supportive of DMS merging with DOT&PF. We feel the merger is also essential if we are expected to maintain an effective commercial vehicle enforcement program that is in compliance with the Federal Highway Administration; addresses the growing needs of regulating commercial vehicles in the State of Alaska; Protects the motoring public, the infra structure, and our federal-aid highway funds.

cc: William L. Hensley, Commissioner

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MEMORANDUM

State of Alaska

TO: The Honorable Tony Knowles
Governor

DATE: August 21, 1996

THRU: James R. Ayers, Chief of Staff

FILE NO:

FROM: Joseph L. Perkins, P.E. *JL Perkins*
Commissioner, DOT&PF

TELEPHONE NO: 465-6973

TEXT TELEPHONE: 465-3652

FAX NUMBER: 586-8365

and: William L. Hensley *W L Hensley*
Commissioner DCED

SUBJECT: Commercial Vehicle
Program

and: Ronald L. Otto *RO*
Commissioner DPS

Decision Memorandum

Under the existing state governmental structure, issues pertaining to the regulation, administration, safety and enforcement of Alaska's Commercial Vehicle Program are being accomplished, in part, by three separate departments. It is the intent of this decision memorandum to seek approval to place all relevant functions of the Commercial Vehicle Program under the responsibility of the Department of Transportation and Public Facilities (DOT&PF).

DOT&PF, through its Division of Engineering and Operations, presently issues regulations relating to overweight and oversize vehicles.

The Department of Commerce and Economic Development (DCED), through its Division of Measurement Standards, presently issues overweight and oversize permits (based on DOT&PF regulations) specifying routes and conditions under which such vehicles move on the state highway system. They operate the state's ten fixed weigh stations. The state Weights and Measures program is also a part of and will remain with this division.

The Department of Public Safety (DPS), through its Commercial Vehicle Safety program presently provides the safety and secondary size and weight enforcement, as well as the overall law enforcement authority essential for the success of the program.

The Commercial Vehicle program is of paramount importance to the preservation of our highway systems and the safety of our traveling public. Because of its present fragmented nature, the program does not lend itself to good management and effective utilization of resources. There are three relatively small units, each functioning under separate departments with no common convergence of senior management. The results are predictably a program bordering on minimum effectiveness and constantly faced with federal sanctions which could ultimately affect Federal Highway Administration (FHWA) financial support.

With the consolidation of all functions under one department, the entire program will elevate the organization to a higher, more visible status under one major division. This will provide singular lines of communication, responsibility and will clearly bring more effective direction to the entire program. The consolidation will improve efficiency and result in an increased level of customer service. In addition, the state's highways will benefit due to maximizing enforcement of misuse by oversize and overweight vehicles. DPS will continue to retain responsibility for vehicle safety and will continue this important program as an activity of the State Troopers.

This proposed change affects the DOT&PF, DPS and DCED as noted above. The present staffing and funding requirements will not change and will be transferred to DOT&PF with one noted exception. Two trooper positions will remain as DPS employees but will be assigned and under the operational control of the new division. The transfer of personnel will include 5 positions from the DPS (not including the assignment of the two trooper positions) and 52 positions from the DCED for a total of 57 positions transferred.

The transfer will not require additional funding. The combined FY 1997 funding projection includes \$1.8 million of state general funds, \$1.3 million in program receipts and \$339 thousand in federal funding.

DOT&PF is the most logical Department to supervise the combined organization. DOT&PF is ultimately responsible for providing and maintaining safe, well designed state and federal highway systems. The program also most directly affects DOT&PF as an ineffective program could ultimately jeopardize up to 10% of federal funding through federal sanctions. A proposed organizational chart and a combined division functional organization are included as attachments 1 and 2, respectively.

The Alaska Trucking Association and Teamsters Local 959 have been contacted informally and have agreed to support this proposal.

If this decision memorandum is approved, formal public meetings will be held. The expected outcome is an Executive Order detailing the statutory changes necessary for the consolidation to be issued the first day of the 1997 Legislative Session, with an effective date of July 1, 1997. During the public meeting process several issues are likely to arise.

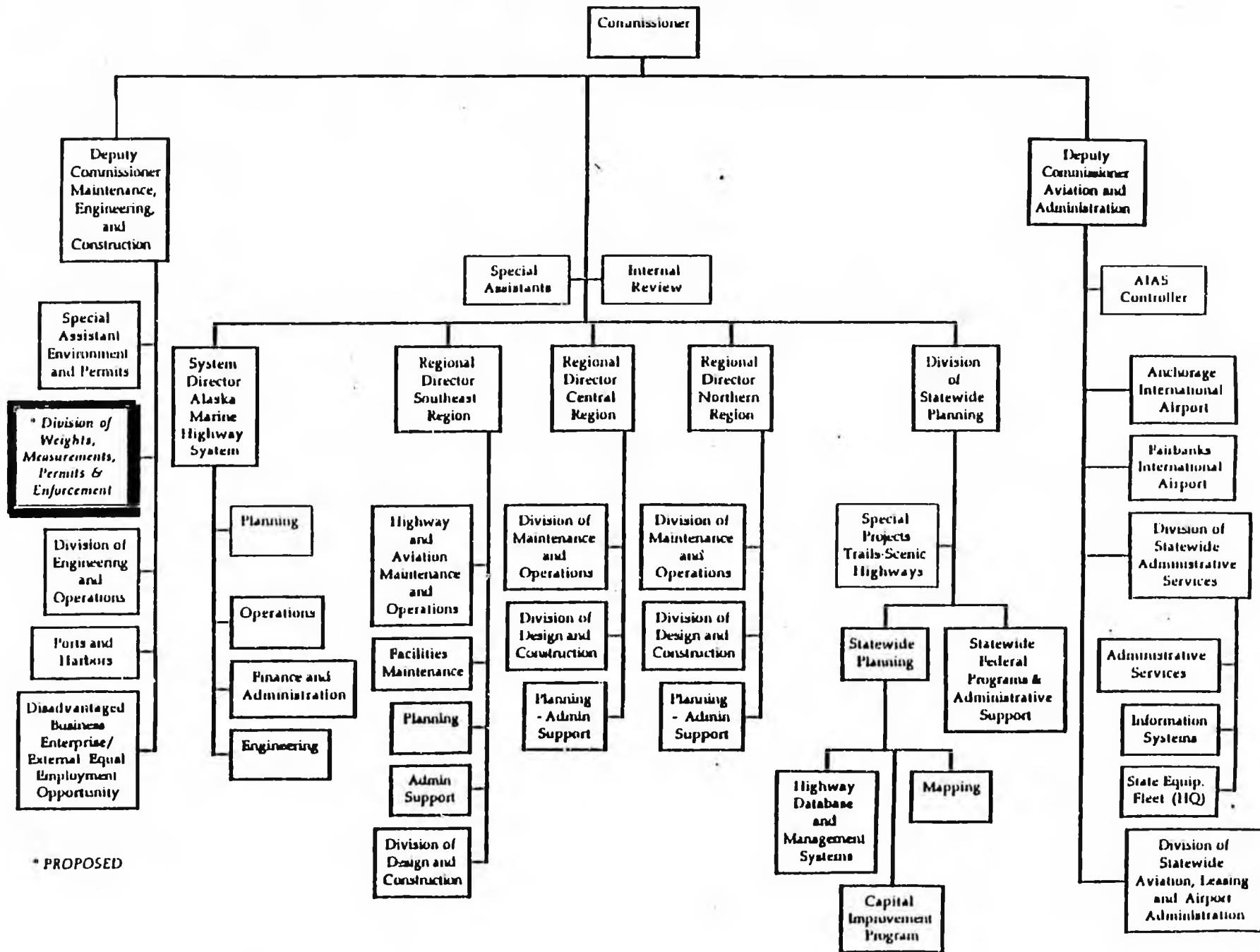
1. A question of the appropriate level of operation and funding of this program. The FHWA feels the program is presently operating barely above acceptable levels. There will be a mutual interest within the FHWA and the trucking industry to increase the number of hours for weigh station operations and increase the number of safety inspectors.
2. A question regarding the current amount of revenue being collected from the trucking industry and how it is being used. About \$900,000 is collected annually in overweight/oversize permit fees. The DPS, through its Commercial Vehicle Registrations, collects about \$3.0 million from heavy vehicles weighing 12,000 pounds or more. There is a need to match current revenues and costs with program needs.
3. There is legislative direction for the program to pay for itself. Presently, \$1.6 million is collected through fees while the program cost is \$3.1 million. This does not include the estimated \$3.0 million collected by the DPS. The redistribution of these revenues back into the Commercial Vehicle program to make up current deficits may well be an issue.

There is no immediate need for special press coverage from the Governor's Office. There may be such a requirement after the public process is completed.

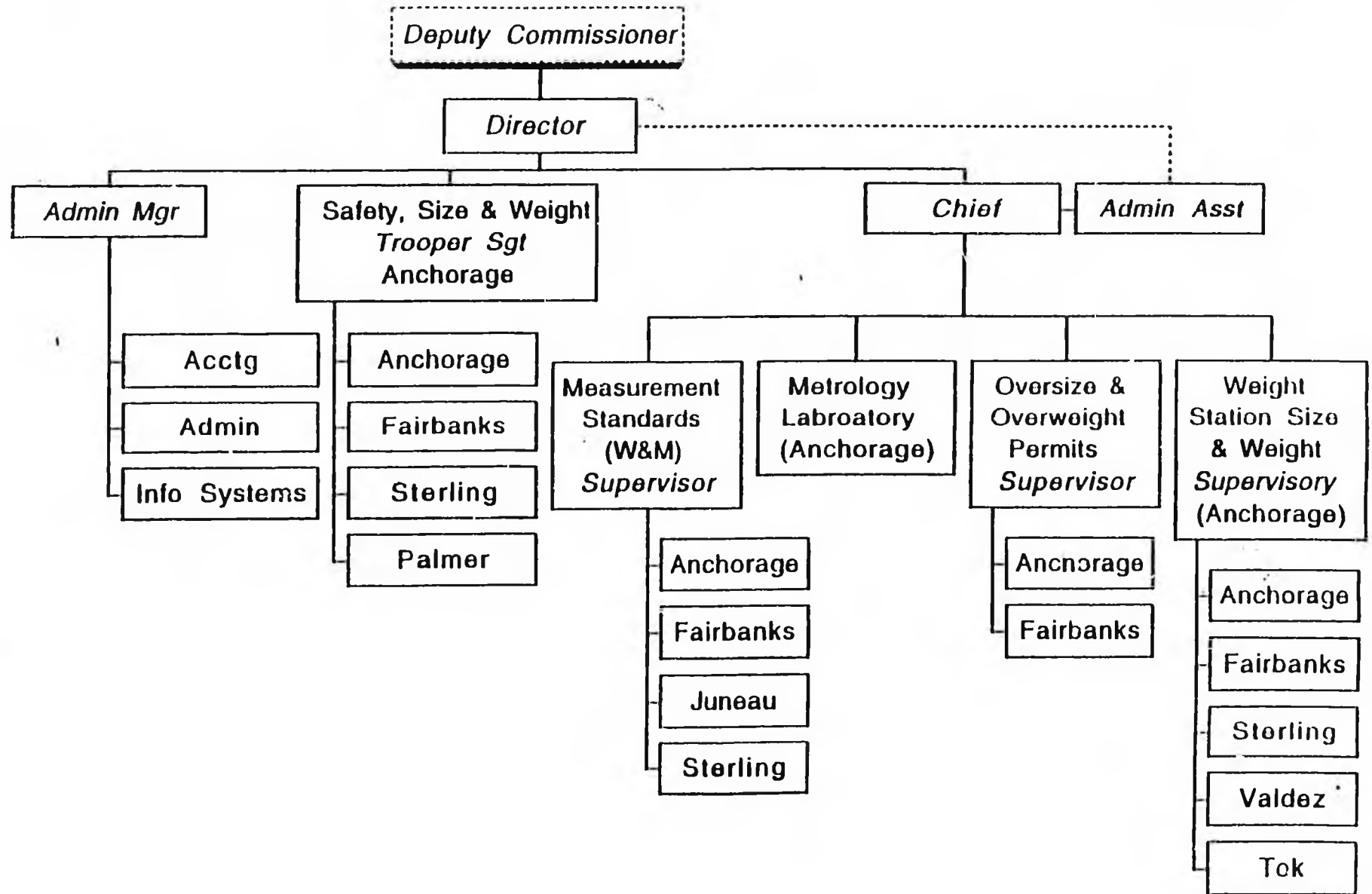
Request your approval of this concept and approval to conduct public meetings concerning this proposal.

Attachments

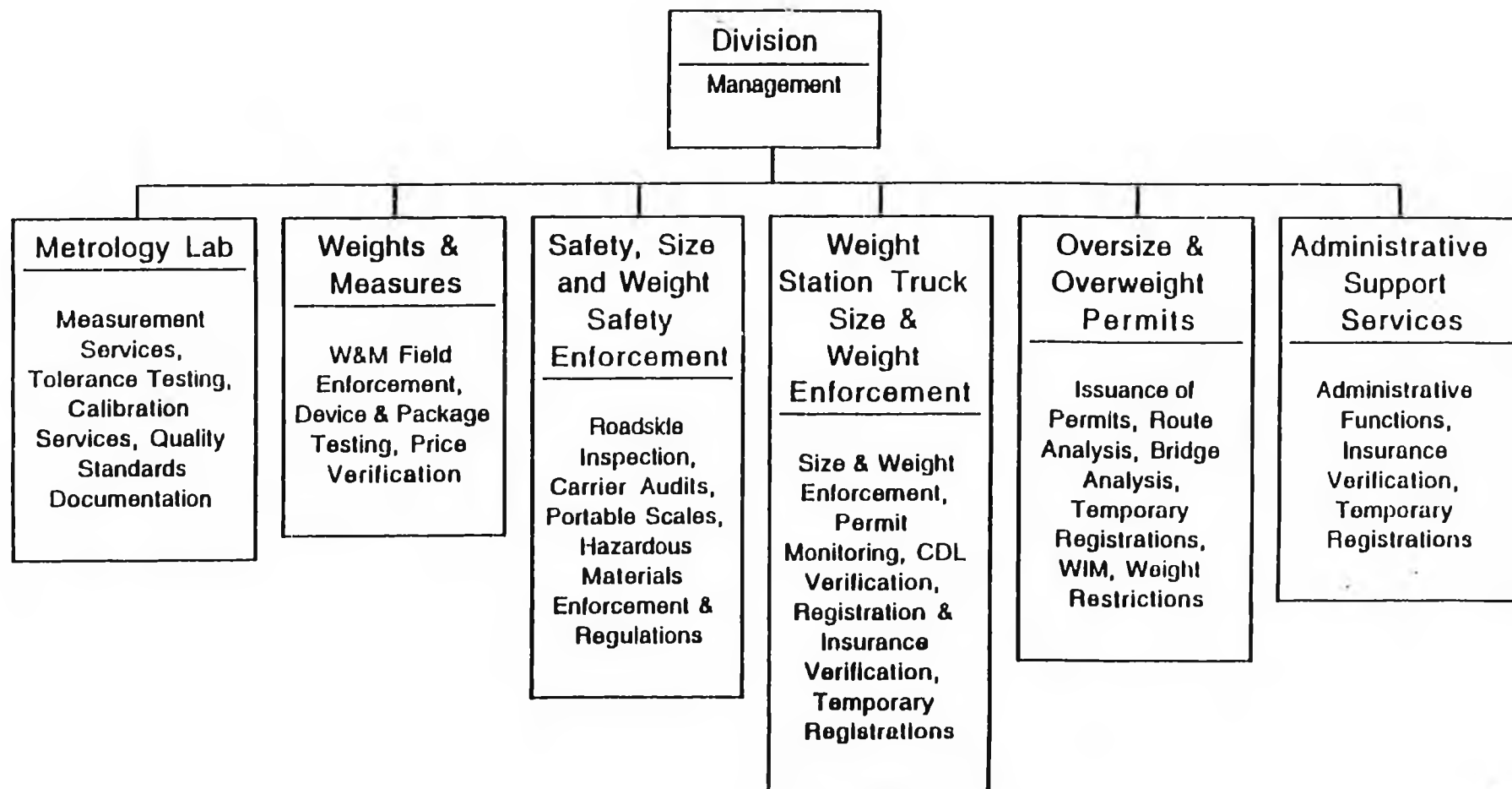
cc: Annalee McConnell, Director, Office of Management and Budget



Division of Weights, Measurements, Permits and Enforcement



**Combined
Division
Functional Organization
Chart**



Executive Order 98

Transferring certain functions from DCED and DPS to DOT&PF
Prepared by DOT&PF

Under the existing state government structure, issues pertaining to the regulation, administration, safety and enforcement of Alaska's Commercial Vehicle Program are being accomplished, in part, by three separate departments. Executive Order 98 proposes to place all relevant functions of the program under the responsibility of the Department of Transportation and Public Facilities (DOT&PF).

DOT&PF currently issues regulations relating to overweight and oversize vehicles.

The Department of Commerce and Economic Development (DCED) currently issues overweight and oversize permits in compliance with regulations adopted by DOT&PF through the Division of Measurement Standards.

DCED also operates the state's ten fixed weigh stations.

The Department of Public Safety (DPS) currently provides safety and secondary size and weight enforcement through its Commercial Vehicle Safety Program.

DPS also provides overall law enforcement authority for the Commercial Vehicle Safety Program.

The Commercial Vehicle Program is essential to the preservation of the state's highway system and the safety of the traveling public. Because of the fragmented structure of the current program, the administration believes that a consolidation of the three components which compose the Commercial Vehicle Program will result in increased efficiency from the standpoint of highway users. The consolidation will also result in an increase in internal efficiency.

The proposed change will affect DOT&PF, DPS and DCED as indicated above. All of the above agencies have played a vital role in consolidating all of these related functions under one agency (DOT&PF).

The department also held a public hearing which was attended by all affected agencies as well as officials representing the trucking industry.

Staffing and funding requirements will not change, and will be transferred to DOT&PF with the exception of two state trooper positions which will remain with DPS but will function within the new division.

Five positions will be transferred from DPS, and fifty-two positions will be transferred from DCED.

Because DOT&PF is ultimately responsible for the maintenance and condition of the state's roadway's it is the most logical location for the consolidated division.

The transfer will not require additional funding. However, changes to departmental budgets will be required once the executive order is implemented.

ALASKA TRUCKING ASSOCIATION, INC.

3443 Minnesota Drive • Anchorage, Alaska 99503 • PHONE (907) 276-1149 • FAX (907) 274-1946

January 23, 1997

To: Members of the 20th Legislature

The Alaska Trucking Association, a 38 year old trade association with 300 member companies geographically distributed throughout Alaska, strongly urges your support of Executive Order No. 98.

The consolidation of agencies who have major responsibilities towards truck operators will improve Alaska's transportation systems efficiency and safety. It will allow for a better understanding of Federal Funding Requirements and slow the need for increased spending on the truck related matters.

Thank you for your support. Please vote to approve Executive Order 98.

Sincerely,



Frank J. Dillon
Executive Director



Notice of Public Meeting

Alaska's Commercial Vehicle Program is being administrated by three separate departments within the Executive Branch of State Government. The Departments are seeking comments from the public on a proposal to consolidate all the functions under one department. The public is invited to a meeting scheduled for Wednesday, November 6, 1996, from 4 to 8 PM in the Main Conference Room, 4111 Aviation Drive Anchorage, Alaska. Department representatives will be at the meeting to solicit comments and exchange ideas with the public. It is hoped that the meeting will assist the departments in preparing for the consolidation effort.

The Department of Transportation and Public Facilities, through its Division of Engineering and Operations, issues regulations relating to overweight and oversize vehicles.

The Department of Commerce and Economic Development, through its Division of Measurement Standards, issues overweight and oversize permits (based on DOT & PF regulations). They also operate the state's ten fixed weigh stations.

The Department of Public Safety, through its Commercial Vehicle Safety program provides the safety, secondary size, and weight enforcement.

The intent of the consolidation action would be to place all the relevant functions of the Commercial Vehicle Program under the responsibility of the Department of Transportation and Public Facilities

Besides the meeting, the public is also encouraged to submit written comments to Deputy Commissioner, Boyd Brownfield, P.E., Department of Transportation and Public Facilities, 3132 Channel Drive, Juneau, Alaska 99801-7879, telephone (907) 465-3900.

If you are a person with a disability who may need a special accommodation to participate in this process, please contact the Department at (907) 465-3900.

Boyd Brownfield, P.E., Deputy Commissioner



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

January 13, 1997

The Honorable Gail Phillips
Speaker of the House
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

Dear Speaker Phillips:

The state of Alaska has various responsibilities in managing its highway system, some of which require compliance with federal standards in order to ensure highway funding. But current oversight of these numerous responsibilities rests between three departments. This makes no sense. Combining all functions of highway management within the Department of Transportation and Public Facilities (DOTPF) is simply good, efficient government.

This Executive Order 98 transfers commercial highway-related functions from the Department of Commerce and Economic Development (DCED) and Department of Public Safety (DPS) to the DOTPF. Ironically, the DOTPF already is responsible for adopting vehicle size and weight standards, but the DCED enforces those standards through its Division of Weights and Measures. That division will be transferred to the DOTPF, thereby consolidating the entire size and weight standards program.

Another area of confusion concerns the financial responsibility programs for air carriers and commercial motor vehicles. They're currently split between the DCED and the DPS for no obvious organizational reason. Executive Order 98 transfers all these programs to the DOTPF. The air carrier function comes with the Division of Weights and Measures; the commercial motor vehicle safety program will be transferred from the DPS to the DOTPF, becoming an integral part of the new division.

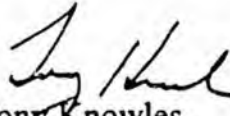
The Honorable Gail Phillips

January 13, 1997

Page 2

Executive Order 98, along with the other executive order I am offering to you today (Executive Order 99) to transfer functions of the Division of Motor Vehicles from the DPS to the Department of Administration, is part of my Administration's continuing effort to deliver services to the public in the most efficient and cost-effective way possible.

Sincerely,

A handwritten signature in black ink, appearing to read "Tony Knowles". The signature is written in a cursive style with a large initial "T".

Tony Knowles
Governor

ALASKA TRUCKING ASSOCIATION, INC.

3443 Minnesota Drive • Anchorage, Alaska 99503 • PHONE (907) 276-1149 • FAX (907) 274-1946

January 23, 1997

To: Members of the 20th Legislature

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The consolidation of agencies who have major responsibilities towards truck operators will improve Alaska's transportation systems efficiency and safety. It will allow for a better understanding of Federal Funding Requirements and slow the need for increased spending on the truck related matters.

Thank you for your support. Please vote to approve Executive Order 98.

Sincerely,



Frank J. Dillon
Executive Director

