

EO

98

FISCAL NOTE

No. 3
 Bill Version E.O. 98
 (H) Publish Date: 1/13/97

STATE OF ALASKA
1997 LEGISLATIVE SESSION

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 98	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANECUS						
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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FUND SOURCE (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	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
 Special Assistant
 Division: Office of the Commissioner Date: _____
 Approved by: [Signature] Date: _____
 Commissioner
 Agency: Department of Transportation and Public Facilities

FISCAL NOTE

No. 2
 Bill Version: E.O. 98
 BILL NO: (H) Publish Date: 1/13/97

STATE OF ALASKA
1997 LEGISLATIVE SESSION

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 ()	-0-	-0-	-0-	-0-	-0-	-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-

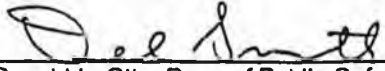
Estimate of current year (FY 97) impact: \$ _____

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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FISCAL NOTE

No. 1
 Bill Version: E.O. 98
 (H) Publish Date: 1/13/97

STATE OF ALASKA
 1997 LEGISLATIVE SESSION

Revision Date: _____
 Title: Executive Order transferring the Division of
Measurement Standards to DOT/PF
 Sponsor: Rules 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						
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 General Fund						
005 GF/Program Receipts						
006 GF/MHTIA						
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	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
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 Phone: 345-7750
 Division: Measurement Standards Date: 3 January, 1997
 Approved by Commissioner: William L. Hensley Date: 1-6-97
 Agency: Commerce and Economic Development

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LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH 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

January 22, 1997

SUBJECT: Executive Order No. 98 (Work Order No. 20-LS0405)

TO: Representative Bill Williams
Attn: Pete Ecklund

FROM: Terri Lauterbach *TLauterbach*
Legislative Counsel

You have asked whether the changes proposed in Executive Order No. 98 are within the legal power of the governor to do by executive order. I understand from your staff that you are particularly concerned about the new statutes enacted in Executive Order No. 98.

I have not found any portion of the executive order that is outside the power of the governor to include in an executive order. While there are many sections of newly enacted law in Executive Order No. 98, each section is derived from a section of law that currently exists and is simply reenacted in the executive order under a different section number in the Alaska Statutes with minor word changes necessary to reflect the transfer of functions.

My review indicates that the new sections in Executive Order No. 98 are derived as follows:

<u>Executive Order</u>	<u>From Current Statute</u>
Sec. 02.40.010	AS 42.30.200
Sec. 02.40.020	AS 42.30.225
Sec. 02.40.990	AS 42.30.380
Sec. 19.10.060(b)	AS 44.33.020(25)
Sec. 19.10.060(c)	AS 28.05.011(11)
Sec. 19.10.300(a) - (b)	AS 28.33.010
Sec. 19.10.300(c)	AS 28.50.011, AS 28.33.010
Sec. 19.10.300(d) - (e)	AS 28.33.010
Sec. 19.10.300(f)	AS 28.33.190, AS 28.40.100
Sec. 19.10.310	AS 28.32.010(a)
Sec. 19.10.320	AS 28.32.030
Sec. 19.10.330	AS 28.32.040
Sec. 19.10.340	AS 28.32.050
Sec. 19.10.350	AS 28.32.060
Sec. 19.10.360	AS 28.32.070

Legal Services

Representative Bill Williams

January 22, 1997

Page 2

Sec. 19.10.370	AS 28.32.080
Sec. 19.10.380	AS 28.32.090
Sec. 19.10.399(1) - (6)	AS 28.32.900
Sec. 19.10.399(7) - (13)	AS 28.40.100

I hope you find this information helpful to you in your review of the executive order. Please let me know if I can be of further assistance.

TML:jdr
97-034.jdr

Executive Order 98

- Transfers commercial highway-related functions from the Dept. of Commerce and Economic Development (DCED) and the Dept. Of Public Safety (DPS) to the Department of Transportation (DOTPF)

The Current management of our Commercial Vehicle Program

- DCT issues regulations relating to overweight and oversize vehicles
- DCED issues overweight and oversize permits (based on DOT regulations). They also operate the state's ten fixed weigh stations
- DPS, through its Commercial Vehicle Safety program, provides the safety, secondary size, and weight enforcement

If EO 98 is adopted, staffing requirements will not change

- 5 positions will be transferred from DPS to DOT
- 52 positions will be transferred from DCED to DOT
- 2 state trooper positions will remain in DPS, but function within DOT
- The administration says the transfer will require **NO** additional funding
- **3 zero fiscal notes** are attached from DOT, DCED, and DPS
- while combining all of the functions of highway management within DOT will not save any money, it is supposed to create internal efficiencies and create "one stop shopping" for industry
- Legislative Legal Services analysis shows that all portions of EO 98 fall within the power of the governor when issuing an executive order
- each section of EO 98 is derived from a section of law which currently exists and is reenacted in the executive order under a different section number of Statute with minor word changes necessary to reflect the transfer of functions
- EO 98 is supported by all three departments involved, and by industry (ATA, AK Independent Truckers and teamsters)
- DOT held a public hearing which was attended by all affected agencies as well as officials from the trucking industry
- EO 98 is similar to EO 89 from the second session of the 18th Legislature. EO 89 was overturned by SSHSCR 3 (37-19). Neither industry or the state departments affected agreed with EO 89

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.

-
- DOT Overview
-
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TONY KNOWLES
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

EO 98
P.O. Box 110001
Juneau, Alaska 99811-0001
(907) 465-3500
Fax (907) 465-3532

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.

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.

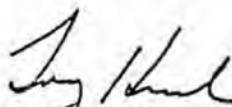
Another area of confusion concerns the financial responsibility programs for air carriers and commercial motor vehicles. They're currently split between the DCED and the DPS for no obvious organizational reason. Executive Order 98 transfers all these programs to the DOTPF. The air carrier function comes 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.

Transmittal Letter

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,



Tony Knowles
Governor

Bo
9000!

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.
Commissioner, DOT&PF

TELEPHONE NO: 465-6973

TEXT TELEPHONE: 465-3652

FAX NUMBER: 586-8365

and: William L. Hensley
Commissioner DCED

SUBJECT: Commercial Vehicle
Program

and: Ronald L. Otto
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.

-
- Mov/Flowcharts
-

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.

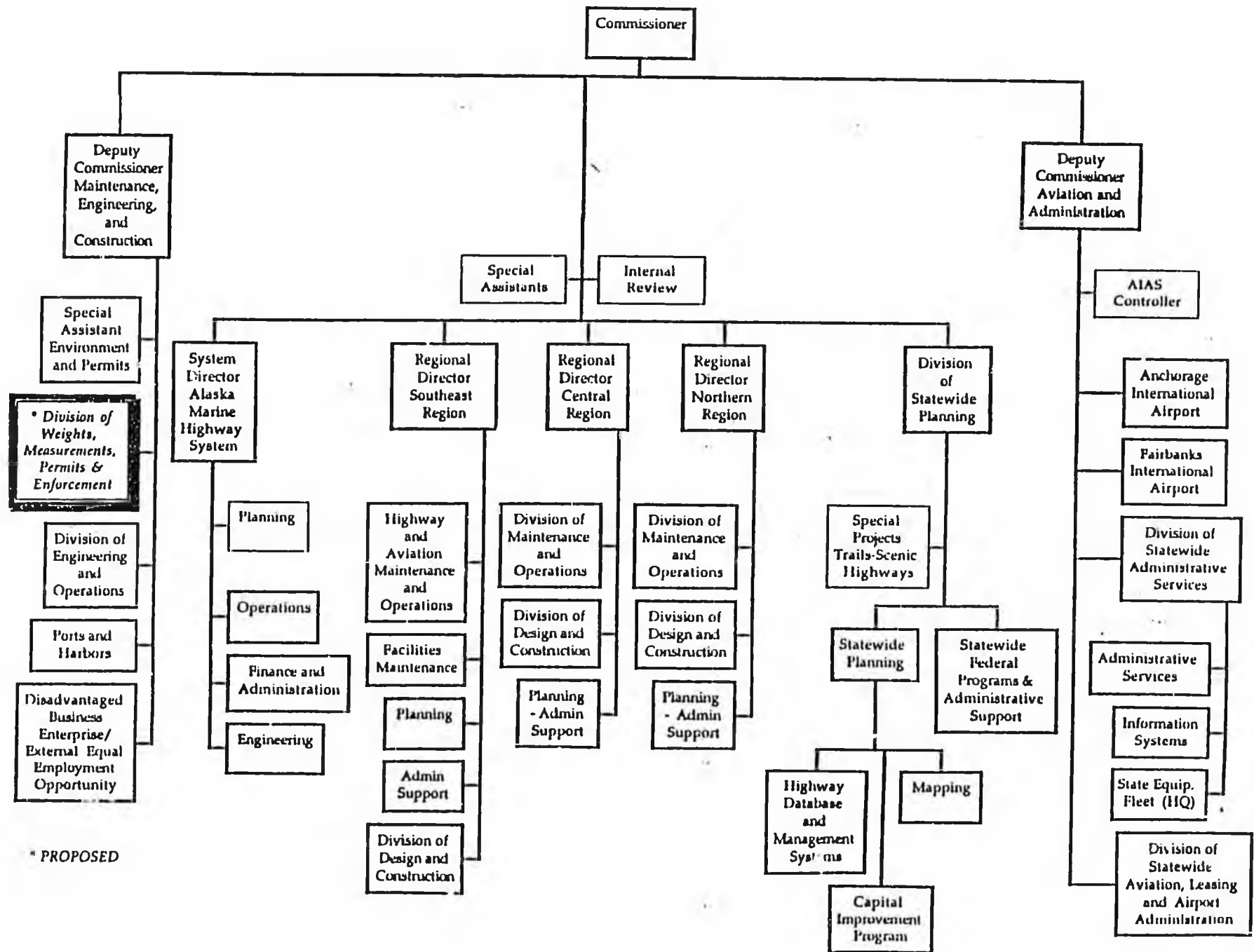
1. A question of the appropriate level of operation and funding of this program. The FHWA feels the program is presently operating barely above acceptable levels. There will be a mutual interest within the FHWA and the trucking industry to increase the number of hours for weigh station operations and 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.

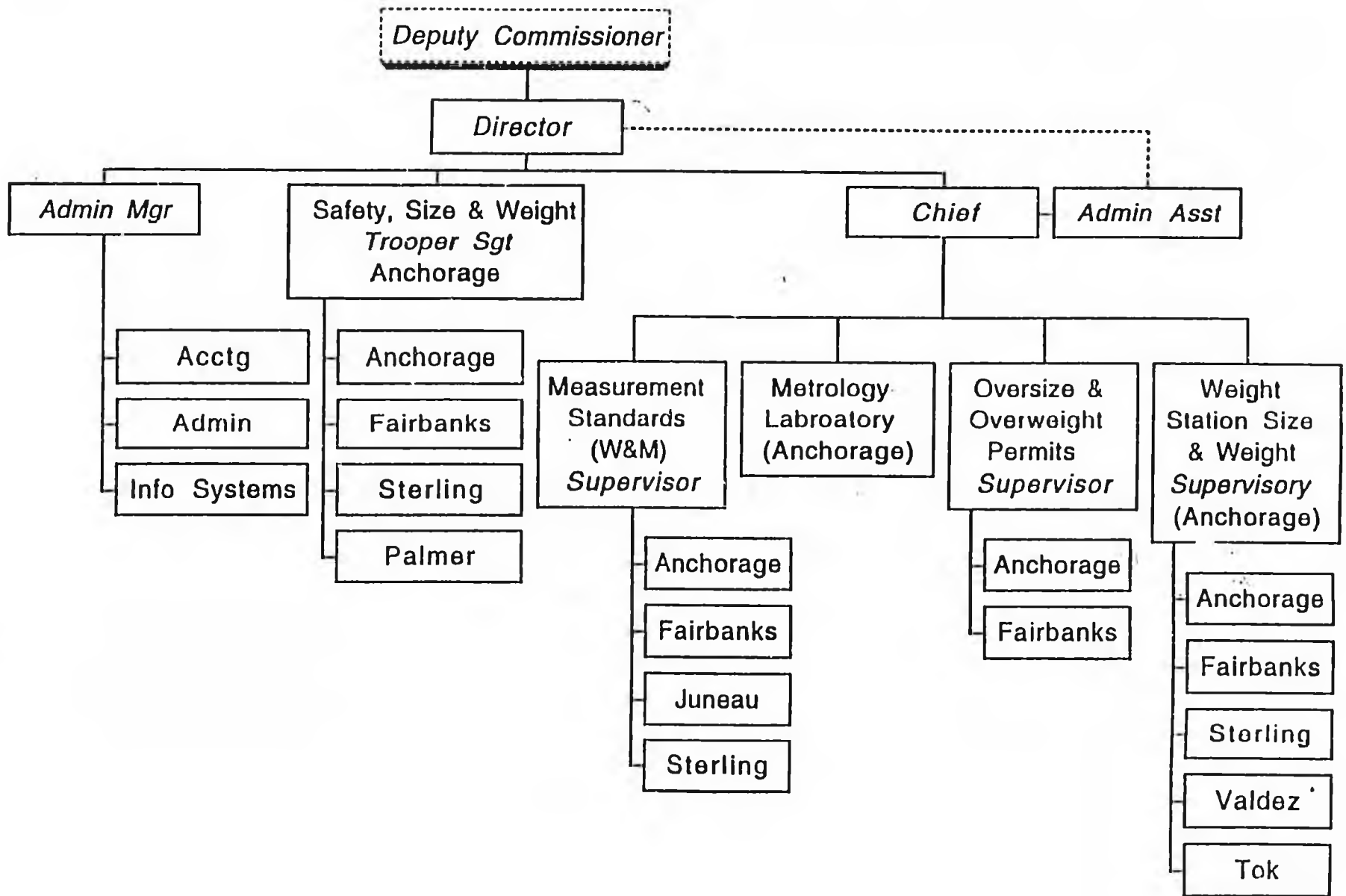
Attachments

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

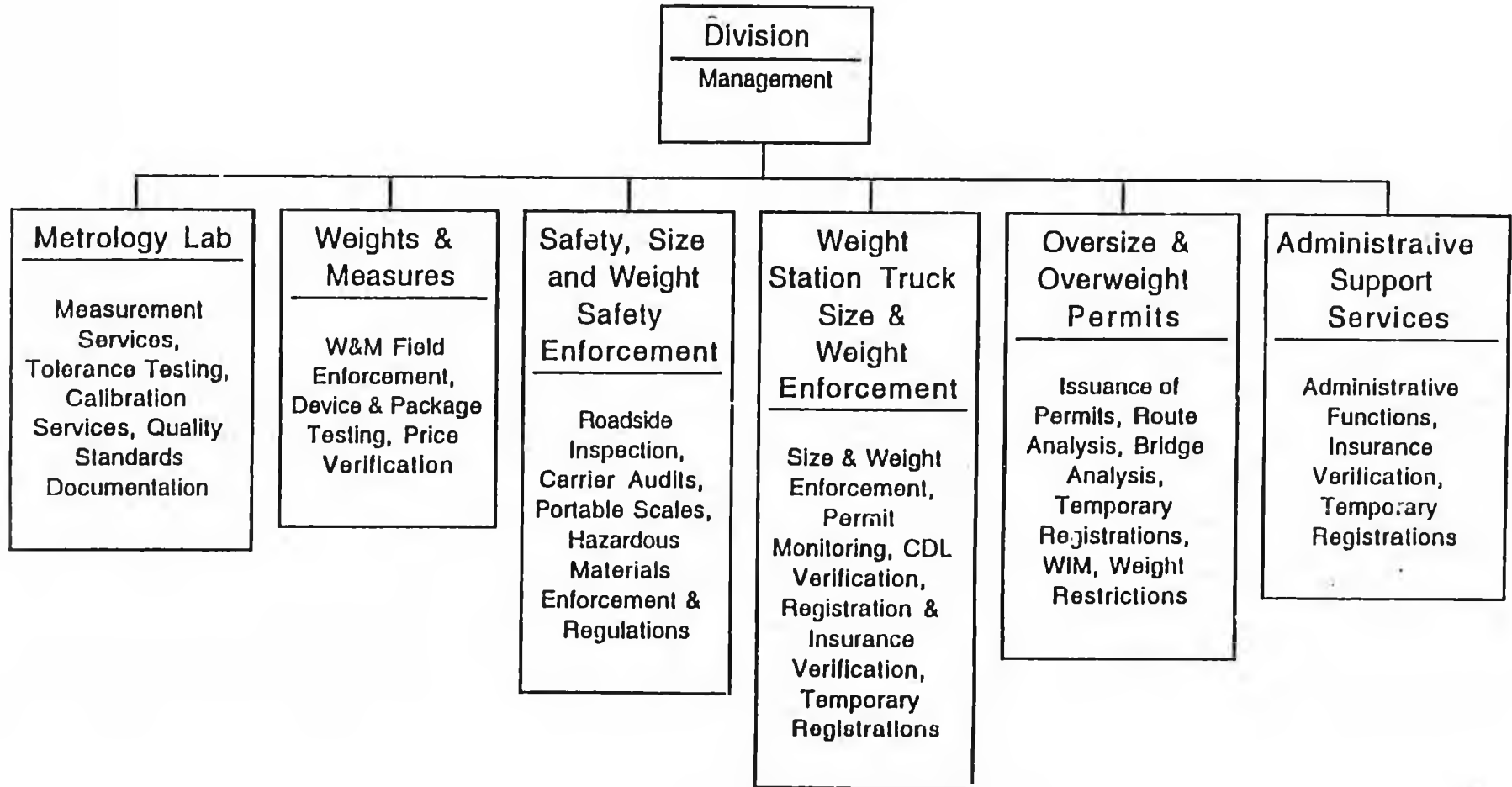


* PROPOSED

Division of Weights, Measurements, Permits and Enforcement



**Combined
Division
Functional Organization
Chart**



ALASKA TRUCKING ASSOCIATION, INC.

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

January 23, 1997

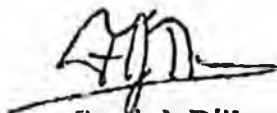
To: Members of the 20th Legislature

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



Letter of Support

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 Browfield, P.E., Deputy Commissioner