

HB

403



REPRESENTATIVE BILL THOMAS

ALASKA STATE LEGISLATURE DISTRICT 5

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State Capitol

Juneau AK, 99801-1182

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SPONSOR STATEMENT

HB 403

“An act relating to registration and operation of neighborhood electric vehicles”

As new motor vehicle technologies are developed, our legal structure must sometimes be modified to account for these changes. In recent years a number of manufacturers have designed and produced several models of small low-speed electrical vehicles that have come to be known collectively as Neighborhood Electric Vehicles (NEV). NEVs have become popular in Europe and increasingly in North America. 36 states have already enacted legislation to permit and encourage their use.

These vehicles typically are limited by design to a top speed of 25 miles per hour and have a range of depending on usage. They are powered by a bank of traditional lead-acid or sealed gel cell batteries. NEVs offer numerous advantages over gas powered vehicles, such as vastly improved energy usage, zero emissions, no necessity of anti-freeze for cooling, space efficiency in parking, and significant potential cost savings for private, commercial and government applications.

Unfortunately, under current law, the State of Alaska cannot license NEVs and as a result Alaska has yet to realize any of the benefits these new vehicles offer. Therefore HB 403 has been introduced to rectify this situation and encourage private citizens and municipalities to utilize NEVs. This legislation has been modeled after federal requirements and laws instituted by other states to govern the registration and use of NEVs in a safe and effective manner.

24-LS1229F
Luckhaupt
2/22/06

CS FOR HOUSE BILL NO. 403()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FOURTH LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): REPRESENTATIVES THOMAS, Croft

A BILL
FOR AN ACT ENTITLED

1 **"An Act relating to registration and operation of low-speed vehicles."**

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

3 *** Section 1.** AS 28.10.041 is amended by adding a new subsection to read:

4 (e) The department may not refuse to register a low-speed vehicle as a
5 passenger vehicle if that vehicle meets the safety and equipment requirements set for
6 passenger vehicles by this state or meets federal motor vehicle safety standards for
7 low-speed vehicles.

8 *** Sec. 2.** AS 28.10.421(b) is amended to read:

9 (b) The biennial registration fees under this subsection are imposed within the
10 following classifications for:

11 (1) a passenger vehicle, a low speed vehicle, or motor home not used
12 or maintained for the transportation of persons or property for hire or for other
13 commercial use \$100;

14 (2) a pick-up truck or a van not exceeding 10,000 pounds unladen
15 weight and not registered in the name of a company or business\$100;

- 1 (3) a taxicab \$160;
- 2 (4) a motor bus with a seating capacity for 20 or more persons and
- 3 used exclusively for commercial purposes in the transporting of visitors or tourists
- 4\$300;
- 5 (5) a motorcycle or a motor-driven cycle \$60;
- 6 (6) a trailer not used or maintained for the transportation of persons or
- 7 property for hire or for other commercial use, including, but not limited to, a boat
- 8 trailer, baggage trailer, box trailer, utility trailer, house trailer, travel trailer, or a trailer
- 9 rented or offered for rent \$30.

10 * Sec. 3. AS 28.35 is amended by adding a new section to article 5 to read:

11 **Sec. 28.35.261. Operation of low-speed vehicles.** (a) The operator of a low-
12 speed vehicle is subject to all the traffic and other laws applicable to operators of
13 passenger vehicles.

14 (b) The operator of a low-speed vehicle may not operate that vehicle on a
15 highway that has a maximum speed of more than 35 miles an hour. Notwithstanding
16 this subsection, the operator of a low-speed vehicle may cross a highway that has a
17 maximum speed limit of more than 35 miles an hour if the crossing is made at the
18 intersection with a highway that is authorized for low-speed vehicles.

19 * Sec. 4. AS 28.40.100(a) is amended by adding a new paragraph to read:

20 (27) "low-speed vehicle" means ^aan electric motor vehicle that has four
21 wheels and an unladen weight of 1,800 pounds or less, that was manufactured to be
22 capable of propelling itself and achieving a minimum speed of 20 miles an hour and a
23 maximum speed of 25 miles an hour, and that has not been modified to have a
24 maximum speed greater than 25 miles an hour.

#2
Local jurisdictions
can help regulate
for safety concerns.

#1
Conceptual low speed vehicle has the
identified meaning as in federal law.

FISCAL NOTE

STATE OF ALASKA
2006 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB403-DPS-AST-2-22-06
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Public Safety
 Title: "An Act relating to registration and operation of RDU Alaska State Troopers
neighborhood electric vehicles." Component: AST Detachments
 Sponsor: Representative Thomas
 Requester: House State Affairs Committee Component No. 2325

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

| OPERATING EXPENDITURES | FY 2007 | FY 2008 | FY 2009 | FY 2010 | FY 2011 | FY 2012 |
|------------------------|------------|------------|------------|------------|------------|------------|
| 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 | | | | | | |
|-----------------------------|--|--|--|--|--|--|

| | | | | | | |
|-------------------------------|--|--|--|--|--|--|
| CHANGE IN REVENUES () | | | | | | |
|-------------------------------|--|--|--|--|--|--|

FUND SOURCE (Thousands of Dollars)

| | | | | | | |
|--|------------|------------|------------|------------|------------|------------|
| 1002 Federal Receipts | | | | | | |
| 1003 GF Match | | | | | | |
| 1004 GF | | | | | | |
| 1005 GF/Program Receipts | | | | | | |
| 1037 GF/Mental Health | | | | | | |
| Other (Specify Type—Do not abbreviate) | | | | | | |
| TOTAL | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Estimate of any current year (FY2006) cost: 0.0
 Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

| | | | | | | |
|-----------|--|--|--|--|--|--|
| Full-time | | | | | | |
| Part-time | | | | | | |
| Temporary | | | | | | |

ANALYSIS: (Attach a separate page if necessary)
 Passage of this legislation would allow smaller electric vehicles to be registered by the Department of Motor Vehicles and to co-mingle these vehicles with full-size motor vehicles on the roadways as long as the posted speed limit is not above 35 miles per hour.

 Since the operators of these electric vehicles would have to comply with all other traffic laws applicable to the operation of passenger vehicles, any enforcement of traffic laws would be absorbed by the existing resources within the Department of Public Safety.

Prepared by: Lieutenant James Helgoe Phone 907-269-4532
 Division: Alaska State Troopers Date/Time 2/22/06 9:26 AM
 Approved by: Commissioner William Tandeske Date 2/22/2006
 Agency: Department of Public Safety

FISCAL NOTE

STATE OF ALASKA
2006 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB 403
 () Publish Date: _____

Revision Date/Time (Note if correction): 2/21/2006 11:00 a.m. Dept. Affected: Administration
 Title: "An Act relating to registration and operation of RDU Division of Motor Vehicles"
neighborhood electric vehicles." Component: Motor Vehicles
 Sponsor: Rep. Thomas
 Requester: (H) State Affairs Component No. 2348

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

| OPERATING EXPENDITURES | FY 2007 | FY 2008 | FY 2009 | FY 2010 | FY 2011 | FY 2012 |
|------------------------|-------------|------------|------------|------------|------------|------------|
| Personal Services | | | | | | |
| Travel | | | | | | |
| Contractual | 5.0 | | | | | |
| Supplies | 5.5 | | | | | |
| Equipment | | | | | | |
| Land & Structures | | | | | | |
| Grants & Claims | | | | | | |
| Miscellaneous | | | | | | |
| TOTAL OPERATING | 10.5 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

| | | | | | | |
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| CAPITAL EXPENDITURES | | | | | | |
|-----------------------------|--|--|--|--|--|--|

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|-------------------------------|--|--|--|--|--|--|
| CHANGE IN REVENUES () | | | | | | |
|-------------------------------|--|--|--|--|--|--|

FUND SOURCE (Thousands of Dollars)

| | | | | | | |
|-----------------------------|-------------|------------|------------|------------|------------|------------|
| 1002 Federal Receipts | | | | | | |
| 1003 GF Match | | | | | | |
| 1004 GF | | | | | | |
| 1005 GF/Program Receipts | | | | | | |
| 1037 GF/Mental Health | | | | | | |
| 1156 Receipt Supported Svcs | 10.5 | | | | | |
| TOTAL | 10.5 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Estimate of any current year (FY2006) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2007 budget proposal:

POSITIONS

| | | | | | | |
|-----------|--|--|--|--|--|--|
| Full-time | | | | | | |
| Part-time | | | | | | |
| Temporary | | | | | | |

ANALYSIS: (Attach a separate page if necessary)

This bill will allow a very specific type of vehicle, as defined by federal regulations as a 'Low Speed Vehicle' to receive Alaska Title and Registration for use on certain roadways.

There will be an increase in revenue as a result, yet we are unable to determine that amount as the estimated numbers of these LSV's requesting title & registration remains unknown. The DMV database, the Alaska Licensing and Vehicle Information Network (ALVIN), will require minimal modification to allow this process.

We intend to purchase 500 sets of these new, distinctive LSV plates in anticipation of registration; any unused plates will be carried as inventory. Titles, registration forms and tabs will be used from existing supplies.

Prepared by: Duane Bannock, Director Phone 269 5008
 Division: Motor Vehicles Date/Time 2/21/06 11.00am
 Approved by: Mike Tibbles, Deputy Commissioner Date 2/21/2006
 Agency: Department of Administration

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

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State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

February 24, 2006

SUBJECT: Definition of low-speed vehicles (CSHB 403(STA),
Work Order No. 24-LS1229Y)

TO: Representative Paul Seaton
Attn: Louie Flora

FROM: Gerald P. Luckhaupt *RLP*
Legislative Counsel

Enclosed is the CS(STA) you requested. I have one comment about the definition the committee adopted for low-speed vehicles. The definition appears to be deficient for several reasons.

First, the bill does not cite to a specific federal definition and members of the public do not know what the definition is. There could be different definitions in federal statutes and in regulations.

Second, the bill does not cite to a specific definition as it read on a specific day. Citing to material enacted or adopted by other groups is potentially an improper delegation of law-making powers problem but those problems are lessened or eliminated by adopting another code, or section of a code as it appeared on a specific day or in a specific edition. In *Northern Lights Motel v. Sweaney*, 561 P.2d 1176 (Alaska 1977), *reh. den.* 563 P.2d 256, the Alaska Supreme Court rejected the purported adoption of the Uniform Building Code and "all future amendments thereto" as the delegation of the future law-making power to a private organization. The court said:

One reason for the prohibition against delegation to private groups is that when amendments are adopted by these groups the public does not necessarily receive notice of, or have an opportunity to comment on or criticize the amendments, as it does when they are adopted by the legislature or promulgated under the Alaska Administrative Procedure Act.

Northern Lights, supra, at 1181. While *Northern Lights* only dealt with a delegation to a private group the opinion does not appear to be limited to just those delegations.¹

¹ In *Northern Lights, supra*, at 1181, the court noted that "the adoption of future amendments has been upheld in certain cases" but recognized "that the due process

Representative Paul Seaton
February 24, 2006
Page 2

Finally, the legislature has traditionally adopted its own definitions of vehicles even though the federal government has definitions for passenger cars, trucks, SUVs, motor homes, and sundry other vehicles. Is there some overriding reason why we cannot create a definition in this instance?

GPL:lmb
06-074.lmb

problem is a serious one." In footnote 7 of that opinion, the court noted that the drafting manual for administrative regulations at that time stated "an agency may *not* adopt by reference a code or set of standards from another state, the federal government, or a private organization *and provide that future amendments as they become effective are being adopted also.*" Id.



Skagway
Development Corporation
ECONOMIC AND COMMUNITY DEVELOPMENT

P.O. Box 1236 • Skagway, Alaska 99840 • Phone/Fax: (907) 983-3414 • skagdev@aptalaska.net

February 17, 2006

The Honorable Paul Seaton, Chairman
House State Affairs Committee
Alaska State Capitol
Juneau, Alaska 99801-1182

Re: An Act relating to registration and operation of neighborhood electric vehicles
HB403

Dear Representative Seaton:

The Skagway Development Corporation (SDC) is a private non-profit economic and community development organization working towards diversifying and enhancing Skagway's year round economy, and increasing the quality of life for its residents. The request for the introduction of Bill 403 pertaining to changes in Alaska code that would allow the use of Neighborhood Electric Vehicles (NEV) was made by me on behalf of a Skagway resident.

With the significant increases in fuel costs and the expectation that these costs will not be returning to previous levels there is national concern regarding the effects that this is having on the consumer and small business owner. This is nowhere more apparent than in Alaska, and especially in rural communities, where gasoline and diesel prices are well above the national average. As hybrid and electric vehicle technologies mature their efficiencies also provide increased cost benefits to the user. This increased effectiveness will translate to significant financial savings for users and lessen our nation's reliance on foreign oil reserves.

Statistics suggest that 65 percent of U.S. families own a second car; over 50 percent of urban trips last less than ten minutes; and 80 percent of all trips are within 10 miles or less. The results are cold running motors that translate into excessive engine wear, increased pollutants, and higher costs for the operator.

NEVs are designated as low-speed vehicles by the National Highway Traffic Safety Administration and are capable of up to 25 mph. As low-speed vehicles, these 20 to 25 mile-per-hour vehicles are subject to Federal Motor Vehicle Safety Standard No. 500 (49 CFR 571.500). This standard requires low-speed vehicles be equipped with headlamps, stop lamps, turn signal lamps, tail lamps, reflex reflectors, parking brakes, rearview mirrors, windshields, seat belts, and vehicle

identification numbers. The National Highway Traffic Safety Administration believes that these requirements appropriately address the safety of low-speed vehicle occupants and other roadway users, given the sub-25 mph speed capability of these vehicles and the controlled environments in which they operate.

NEVs are designed to be used in residential areas and rural communities with low density traffic and low speed zones. With a top speed of 25 mph, low-speed vehicles can be used on streets with a posted 35 mph speed limit or less. It would appear that NEVs are an appropriate vehicle for most of our transportation needs. These passenger-carrying vehicles, although low-speed, offer a variety of advantages, including comparatively low-cost and energy-efficient mobility², zero emissions, and up to 90 percent reduction in noise.

Unfortunately, at present NEVs are not allowable forms of transport in the state of Alaska, although being legal in 37 states. I believe that the time has come for Alaska to seriously explore the synergies that these vehicles can bring to the state's citizenry and economy. Alaska businesses are often at a competitive disadvantage with Lower 48 firms because of the cost differential in operating expenses. Many local businesses, especially microenterprises, should see a noticeable decrease in their operating costs if given the opportunity to use an efficient NEV over a regular gas or diesel powered vehicle.

I would ask that the committee look favorably upon this bill and allow Alaskans the opportunity to engage in an inexpensive, safe, efficient, and pollution free form of transportation. The benefits that ensue will trickle down and out across our communities and the state as a whole.

Thank you for your consideration, and should you require additional information please do not hesitate to contact me.

Regards,



Michael Catsi
Executive Director

¹ <http://www.electric-bikes.com/legalnev.htm>

² <http://www.electric-bikes.com/nev.htm>

Neighborhood Electric Vehicles (NEVs)



The National Highway Transportation Safety Administration has defined a new category "low-speed vehicles" or "Neighborhood Electric Vehicles." These are small, 4-wheeled motor vehicles with top speeds of 20 to 25 miles per hour. NEVs must comply with safety standards that require them to have automotive grade headlights, seatbelts, windshields, brakes and other safety equipment. These vehicles can only be used on streets with a posted speed limit of 35 mph or less.

These vehicles are intended for short commutes on city streets, trips generally of 2 to 3 miles or less, going shopping, taking the kids to school, running errands, etc. They are also used by law enforcement for parking patrol, Parks and zoos for grounds maintenance etc.

The costs run from \$7,000 to over \$15,000. As you can see they are not toys. They do require a valid drivers license and are restricted to a top speed of 25 MPH. They MAY NOT be operated on any road with a posted speed limit over 35 MPH.

I have included in this package several pictures from different manufacturers to show what is available, I have also included copies of the statutes from several different states, also included is the complete Federal Code from the National Traffic Highway Safety Administration, this document includes all of information that the agency used to formulate the final rule.

When you look at some of the state laws you will notice that some have added their own additional rules allowing each county or city to place further limits on the operation of these vehicles. I would suggest that this approach be avoided as it will only lead to a hodge podge of differing laws scattered across the state.

If a person is interested in purchasing one of these cars they would first have to check with the local city and borough to find out what if any restrictions may apply in that area, then if you moved to another town you might find the laws different there.

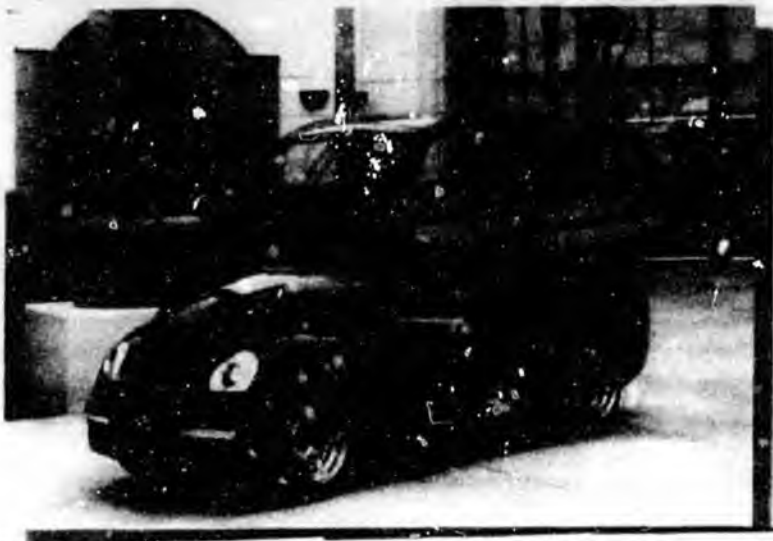
The federal guidelines are well thought out and simple.

I feel that with the high cost of fuel and the concern over air pollution, that the time for a efficient, low maintenance, zero emission vehicle that is safe and easy to operate time has come, and its time for Alaska to join the 36 plus States that already allow their use.

In closing and on a personal note, as I stated I am trying to start a small rental and sales business. While nothing can be done this season, would it be possible to expedite this legislation so that perhaps by early spring this could become a reality.

I thank you for your time and your consideration.

Ed Ibbotson



February 7, 2006

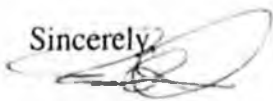
Rep. Bill Thomas
Alaska State Legislature
Juneau, AK 99801

I would like to propose that the motor vehicle statutes be amended to allow the use of Neighborhood Electric Vehicles on roads with speed limits of 35 MPH or less. I feel that these vehicles may be of use to many people who only use their cars for short trips to the grocery store, post office, church etc. With the high cost of vehicle ownership, gas, oil, tune ups, and insurance, these electric cars provide an affordable alternative mode of transportation. I realize that they will not work for all people in all areas, however for towns like Skagway and short local trips in larger cities like Anchorage these are ideal. There may be additional benefits to cities for use in parking enforcement, parks departments, airport security and so forth. These vehicles are legal in approximately 38 other states including, California, Washington and Florida. NEVs are approved by the National Transportation Highway Safety Administration as long as they meet the federal standards.

I do not know how large a demand there will be for these types of cars, but I do know that at least 5 people here in Skagway have expressed an interest in them, and this is without any promotion or advertising.

Considering that due to the fact they are non-polluting, have no oil or anti freeze to dispose of and operate very economically (it will cost approx. \$1.10 to travel 35 miles for power here in Skagway at 18 cents a KW hour. I think Juneau's rate is 8 cents) If gas is close to \$3.00 a gallon, this means about the equivalent of 100 miles to a gallon. The purchase price delivered to Skagway of a fully loaded car, stereo, chrome wheels, high efficiency motors, zero maintenance batteries, heater, etc would be about \$17,000. With more and more talk of energy efficient, zero emissions type vehicles, perhaps these NEVs are just a start in that direction. Thank you for your time in the consideration of this matter.

Sincerely,



Ed Ibbotson
Skagway resident

