

**HB**

**347**

# SENATE COMMITTEE REPORT

DATE: 5/4/06

FURTHER:

DATE TURNED  
IN TO OFFICE: \_\_\_\_\_

Judiciary Committee considered CS FOR HOUSE BILL NO. 347(JUD) am

## HB 347 MOTOR VEHICLE INSURANCE/LICENSE/ NOTICES

"An Act relating to mandatory motor vehicle insurance, license suspensions, mandatory impoundments of vehicles used in certain offenses, notices relating to motor vehicles, and notices relating to driver's licenses."

and recommends:

- be replaced with \_\_\_\_\_ CS \_\_\_\_\_ (\_\_\_\_\_)
- adopt previous \_\_\_\_\_ CS \_\_\_\_\_ (\_\_\_\_\_)
- attached amendment(s)
- adopt Letter of Intent by \_\_\_\_\_ Committee
- further referral to \_\_\_\_\_ Committee

<b>CS Senate Bill:</b>	
<input type="checkbox"/>	Same Title
<input type="checkbox"/>	New Title
<b>SCS House Bill:</b>	
<input type="checkbox"/>	Same Title
<input type="checkbox"/>	Technical Title Change
<input type="checkbox"/>	New Title w/ SCR # _____

**NEW FISCAL NOTE(S):**

**PREVIOUS FISCAL NOTE(S):**

Department	Date	Fiscal	Indet.	Zero	FN#

Department	Date	Fiscal	Indet.	Zero	FN#

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	Do PASS	Do NOT PASS	No REC	AMEND
<i>[Signature]</i>	x			
<i>[Signature]</i>	x			
<i>[Signature]</i>	x			
<i>[Signature]</i>	x			
CHAIR: <i>[Signature]</i>	✓			

A M E N D M E N T

#1

OFFERED IN THE SENATE

TO: CSHB 347(JUD) am

- 1 Page 1, lines 1 - 2:
- 2 Delete "mandatory impoundments of vehicles used in certain offenses,"
- 3
- 4 Page 2, lines 12 - 20:
- 5 Delete all material.

24-LS1922\A  
Luckhaupt  
5/6/06

**SENATE CONCURRENT RESOLUTION NO.**  
**IN THE LEGISLATURE OF THE STATE OF ALASKA**  
**TWENTY-FOURTH LEGISLATURE - SECOND SESSION**

**BY**

**Introduced:**  
**Referred:**

**A RESOLUTION**

1 **Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State**  
2 **Legislature, concerning House Bill No. 347, relating to motor vehicles, licenses,**  
3 **insurance, impoundments, and notices.**

4 **BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 That under Rule 54, Uniform Rules of the Alaska State Legislature, the provisions of  
6 Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, regarding  
7 changes to the title of a bill, are suspended in consideration of House Bill No. 347, relating to  
8 motor vehicles, licenses, insurance, impoundments, and notices.

# ALASKA STATE LEGISLATURE



REPRESENTATIVE LES GARA

## **CSHB 347 (JUD) am : Motor Vehicle License Suspensions / DMV Notification Procedure Sponsor Statement**

House Bill 347 relates to drivers licenses and motor vehicle insurance.

First, it closes a loophole in the law that has caused a number of drivers to be charged criminally for driving without auto insurance when, in fact, they had insurance.

HB 347 provides that if a person's driver's license is suspended because of lack of insurance paperwork, it is a defense to the criminal charge of driving without a valid license that the driver in fact had the legally required auto insurance.

Here's the problem under current law: Right now drivers involved in an accident are required to fill out paperwork informing the Department of Motor Vehicles that the driver had insurance at the time of the accident. If this paperwork is not received, the driver's license will be suspended. The DMV is currently required to send a reminder notice to the address on the person's driver's license, even if there is a more current address available such as the address on the police report. To solve this problem, HB 347 provides that the DMV should send the required insurance paperwork to a driver's last known address.

Second, the bill increases the penalty for uninsured motorists. Under HB 347 it is a class B misdemeanor to drive without insurance, punishable by a minimum fine of \$500 and up to 90 days in jail. Under current law the minimum fine is \$0, making it potentially cost-free to drive without insurance.

Third, HB 347 allows for the impoundment of vehicles used in the commission of the following offenses: 28.15.291 (Driving while license canceled, suspended, revoked or in violation of a limitation); 28.33.030 (Operating a commercial motor vehicle while under the influence of an alcoholic beverage, inhalant or controlled substance); 28.33.031 (Implied consent for operators of commercial motor vehicles); 28.35.030 (Operating a vehicle, aircraft or watercraft while under the influence of an alcoholic beverage, inhalant, or controlled substance); 28.35.032 (Refusal to submit to a chemical test). The decision whether to impound the vehicle is left up to local law enforcement.

HB 347 serves the goals of requiring drivers to have automobile insurance, preventing drivers from being charged with crimes they did not commit, and giving law enforcement the additional deterrent of impoundment for certain offenses involving a motor vehicle.

# ALASKA STATE LEGISLATURE



REPRESENTATIVE LES GARA

## **CSHB 347 (JUD) am: Motor Vehicle License Suspensions / DMV Notification Procedure**

### **Sectional Analysis**

#### Section 1.

Provides that a violation of AS 28.05.071 (Notifying the DMV of a change of address) be punishable by a civil fine of up to \$300. Currently this is a misdemeanor.

#### Section 2.

Provides a legal defense to a person charged with the crime of driving without a license, for failure to have legally required automobile insurance, when the driver proves s/he in fact had automobile insurance. This closes a loophole in the current law.

#### Section 3.

Makes it a Class B Misdemeanor, punishable by a minimum fine of \$500 to drive without insurance.

#### Section 4.

Provides that DMV should send the required insurance paperwork to a driver's last known address, not just the address DMV has on file.

#### Section 5.

Provides that local law enforcement may impound of vehicles used in the commission of the following offenses: 28.15.291 (Driving while license canceled, suspended, revoked or in violation of a limitation); 28.33.030 (Operating a commercial motor vehicle while under the influence of an alcoholic beverage, inhalant or controlled substance); 28.33.031 (Implied consent for operators of commercial motor vehicles); 28.35.030 (Operating a vehicle, aircraft or watercraft while under the influence of an alcoholic beverage, inhalant, or controlled substance); 28.35.032 (Refusal to submit to a chemical test).

# FISCAL NOTE

**STATE OF ALASKA**  
**2006 LEGISLATIVE SESSION**

Fiscal Note Number: 1  
 Bill Version: CSHB 347(STA)  
 (H) Publish Date: 2/17/06

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Administration  
 Title An Act relating to mandatory motor vehicle RDU Legal and Advocacy Services  
insurance, license suspensions, and notices..... Component Office of Public Advocacy  
 Sponsor Rep. Gara and Lynn  
 Requester (H) STA Component No. 43

**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						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>						
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**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)						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

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)

If passed, this legislation should have no fiscal impact on the Office of Public Advocacy.

Prepared by: Joshua P. Fink, Director  
 Division Office of Public Advocacy  
 Approved by: Mike Tibbles, Deputy Commissioner  
 Agency Administration

Phone 907.269-3500  
 Date/Time 2/13/06 at 3:10 p.m.  
 Date \_\_\_\_\_

# FISCAL NOTE

**STATE OF ALASKA**  
**2006 LEGISLATIVE SESSION**

Fiscal Note Number: 2  
 Bill Version: CSHB 347(STA)  
 (H) Publish Date: 2/17/06

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Administration  
 Title "An Act relating to mandatory motor vehicle insurance...." RDU Division of Motor Vehicles  
 Component Motor Vehicles  
 Sponsor Rep. Gara  
 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						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE (Thousands of Dollars)**

1002 Federal Receipts						
1003 GF Match						
100 : GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

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 the Division of Motor Vehicles (DMV) a greater ability to make contact with customers via mail by recognizing a mailing address from a citation, police report or permanent fund dividend application if it is more current the Division's official record.

The DMV does not anticipate any additional expense as a result of this change.

Prepared by: Duane Bannock, Director Phone 269 5008  
 Division: Motor Vehicles Date/Time 2/9/06 3:00p  
 Approved by: Mike Tibbles, Deputy Commissioner Date 2/9/2006  
 Agency: Department of Administration

# FISCAL NOTE

**STATE OF ALASKA**  
**2006 LEGISLATIVE SESSION**

Fiscal Note Number: 3  
 Bill Version: CSHB 347(STA)  
 (H) Publish Date: 2/17/06

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Public Safety  
 Title: "An Act relating to mandatory vehicle insurance, RDU: Alaska State Troopers  
license suspensions, and notices..." Component: AST Detachments  
 Sponsor: Representatives Gara  
 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						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>						
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**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)						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

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)

This legislation makes it an infraction if a person fails to notify the appropriate department of a change of name or address if convicted. Section two adds an affirmative defense clause under driver license violations. The bill also provides for the appropriate department to use the latest address records available from the department, police reports, or addresses provided in permanent fund dividend applications to the Department of Revenue. This so the department can notify the licensee involved in a motor vehicle accident notifying them that their license suspension may become effective if they don't make an oral or written answer controverting any point or issue regarding their failure to provide proof of motor vehicle insurance.

This bill will have no fiscal impact upon the division of the Alaska State Troopers.

Prepared by: Lieutenant James Helgoe Phone 907-269-4532  
 Division: Alaska State Troopers Date/Time 1/31/06 8:58 AM  
 Approved by: Commissioner William Tandeske Date 1/31/2006  
 Agency: Department of Public Safety