

HB

347

ALASKA STATE LEGISLATURE




REPRESENTATIVE LES GARA

MEMORANDUM

DATE: April 24, 2006

TO: Sen. Gene Therriault, Chair
Senate State Affairs Committee

FROM: Rep. Les Gara 

RE: Hearing Request for HB 347, Motor Vehicle Insurance and Notice

I respectfully request that House Bill 347, relating to mandatory motor vehicle insurance, license suspension, impoundments of vehicles, and notices relating to motor vehicles and driver's licenses be scheduled for a hearing in the Senate State Affairs Committee. Please feel free to contact me, or my aide Emily McCoy, with questions or thoughts at 465-2647.

Attached you will find a background packet for HB 347. This includes the current version of the bill, a sponsor's statement, a sectional analysis and backup materials.

Thank you for your consideration.

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						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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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)						
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 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						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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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)						
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 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						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 Gr/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)

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

Tricia Moen
8766 Row Ln SE
Port Orchard, WA 98367
Moentm@hotmail.com

December 7, 2005

Duane Bannock, Director
Division of Motor Vehicles
3300B Fairbanks Street
Anchorage, AK 99503

Dear Mr. Bannock:

I am writing about an incident that happened to me when I lived in Alaska. In June, I was traveling North on the Parks Highway. Near Talkeetna, and a state trooper pulled me over for speeding. When he ran my license he discovered it was suspended and I was supposed to have SR 22 insurance. The reason? The Department of Motor Vehicles had no record of receiving proof of insurance paperwork.

Let me back up. In September of 2004 I was involved in a car accident. I had my proof of insurance at the scene, which I offered to show the police officer. I also sent in the yellow proof-of-insurance sheet. I didn't think anything more of the accident. Nine months later, when I was pulled over, I found out that the DMV never got the proof-of-insurance sheet, and my license had been suspended. The Trooper let me go, he said it was obvious I didn't have a lapse of insurance; he let me go with a summons to appear in court on criminal charges. Since my license was suspended, I also had to have one of my friends drive the remainder of the trip. The criminal charge was eventually dropped.

I would like to suggest some of efficient way to make sure drivers are insured. I understand insurance companies have ways of letting the DMV know when someone drops their insurance company. Perhaps officers should check for proof of insurance when drivers are pulled over. If the driver does not have proof of insurance, then the driver would be ticketed.

I am aware that Representative Gara's office is working on a bill to this effect and hope that this will solve the problem. I want to do what I can to make sure no other drivers have the same experience I did. Thank you for your consideration into this matter. I am a law abiding citizen, and it is a bit of a nuisance to be considered a criminal. Especially when my "criminal" status could have been prevented.

Sincerely,


Tricia Moen

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).