

SB

127

<TARGET><BILL>SB 127</BILL><SUBJECT>SB
127</SUBJECT><COMM>HFIN28</COMM></TARGET>

Fiscal Note

State of Alaska
2014 Legislative Session

Bill Version: SB 127
Fiscal Note Number: 2
(S) Publish Date: 3/5/14

Identifier: SB127-DOA-DMV-02-18-2014
Title: VEHICLE TRANSACTION AGENTS
Sponsor: GIESSEL
Requester: Senate State Affairs

Department: Department of Administration
Appropriation: Motor Vehicles
Allocation: Motor Vehicles
OMB Component Number: 2348

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2015 Appropriation Requested	Included in Governor's FY2015 Request	Out-Year Cost Estimates					
			FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
OPERATING EXPENDITURES								
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants & Benefits								
Miscellaneous								
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None								
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time								
Part-time								
Temporary								

Change in Revenues	(1,979.8)		(1,979.8)	(1,979.8)	(1,979.8)	(1,979.8)	(1,979.8)
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Estimated SUPPLEMENTAL (FY2014) cost: 0.0 (separate supplemental appropriation required)
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2015) cost: 0.0 (separate capital appropriation required)
(discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? Yes
If yes, by what date are the regulations to be adopted, amended or repealed? 01/01/16

Why this fiscal note differs from previous version:

Updated to reflect participation of all business partners such as dealerships.
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Prepared By: Amy Erickson, Director
Division: Motor Vehicles
Approved By: Curtis Thayer, Commissioner
Agency: Department of Administration

Phone: (907)269-5574
Date: 02/14/2014 05:00 PM
Date: 02/18/14

FISCAL NOTE ANALYSIS #2

STATE OF ALASKA
2014 LEGISLATIVE SESSION

BILL NO. SB 127

Analysis

This bill will allow businesses that provide vehicle title and registration services to retain up to 15% of the proceeds they collect, less any taxes or fees imposed by a municipality. The current fee to register a vehicle in the State of Alaska is \$100. DMV collects a motor vehicle registration tax (MVRT) for the following communities: Anchorage, Bethel, Bristol Bay Borough, Cordova, Dillingham, Juneau, Ketchikan Gateway Borough, Kodiak Island Borough, Kenai Peninsula Borough, Mat-Su Borough, Nenana, Nome, Petersburg, Sitka, Unalaska, and Whittier. The MVRT rate varies by community and age of the vehicle.

Loss of Revenue:

In fiscal year 2013 DMV contracted with 48 business partners who processed 336,527 transactions and collected a total of \$19,403.2. The collected fees breakdown as follows:

\$13,083.2 Motor vehicle registrations
 \$53.1 Driver's license information/look-up fee
 \$61.6 Miscellaneous fees (personalized plates, replacement tabs, temporary permits, etc.)
\$6,204.4 Motor vehicle registration tax*
 \$.9 Other trust funds (related to fees associated with specific license plates)
\$19,403.2

$\$19,403.2 - \$6,204.4 = \$13,198.8$

*The MVRT is a municipal tax and cannot be counted in the total proceeds.

After subtracting the MVRT from the total amount collected, \$13,198.8 would be available to retain. Assuming the full 15% is retained from the available collected fees, a loss of \$1,979.8 in revenue would result.

Additional information:

Business partners may charge a service fee in addition to the fees charged for the transaction. The amount of the service fee is determined by the business partner and is not regulated by or reported to DMV.

The term "proceeds" has not been fully defined and it is unknown if service fees will be included as part of the revenue eligible for the 15% retainage. If so, this would increase the loss of revenue to the State of Alaska.

Alaska Trucking Association

SB 127 DMV Transaction Agents

- ⇒ 10% of Executive Director's Time
 - ⇒ 30% of Business Manager's Time
 - ⇒ Full Time Employee
 - ⇒ Over 11,000 DMV Transactions/year
- = \$70,000/year
-

VS.

Alaska DMV

- ⇒ Range 10 Employee
 - ⇒ 10,743 DMV Transactions/year
- = \$60,000/year
- PLUS**
- ⇒ Cost for adding management staff???
 - ⇒ Equipment and Supplies ????
 - ⇒ Real Estate/Housing Expenses ????
- = UNKNOWN
-

Benefit to Alaskans?

Convenient Hours — Less Wait Time — More Locations



ALASKA CHAMBER

April 17, 2014

The Honorable Bill Stoltze
Alaska State House of Representatives
Capitol Room 515
Juneau, AK 99801

Re: Support for Senate Bill 127 (SB 127)

Dear Representative Stoltze,

The mission of the Alaska State Chamber of Commerce (Alaska Chamber) is to promote a positive business environment in Alaska. The Alaska Chamber represents hundreds of businesses, manufacturers and local chambers from across Alaska. Our members support legislation that updates and clarifies laws, provides regulatory certainty, and that generally improves Alaska's business climate. The Alaska Chamber supports Senate Bill 127 (SB 127) because it is a private-public partnership that is a win-win situation.

Senate Bill 127 (SB 127) ensures that the improved quality of service and efficiency of the Division of Motor Vehicles (DMV) has been able to deliver increasingly for over a decade will continue. Advanced Business Partnerships (ABPs) provide license and renewal, titles and other DMV services to Alaskans.

Currently ABPs are paying for the fees for each of these transactions, including credit card fees. SB127 will allow ABPs to retain some of the administrative costs associated with provision of the DMV services they deliver.

This private-public partnership has already proved to be an effective way to reduce government through creative use of the private sector. It reduces government workload, increases private sector activity, and provides DMV services to Alaskans efficiently and in more locations than if left to government alone. The cost to the State to provide a similar level of service in as many locations would cost the State more than providing a commission as proposed in SB 127.

The Alaska Chamber fully supports SB 127 and appreciates your sponsorship of this legislation. We have sent similar letters to each member of the House Finance Committee encouraging their swift action on the bill.

Sincerely,

Rachael Petro
President/CEO

Cc: The Honorable Cathy Giessel, Alaska State Senate

ALASKA STATE LEGISLATURE

Senate District N
*Anchorage Hillside, Turnagain Arm,
Cooper Landing, Sterling, Nikiski,
Moose Pass, Bear Creek, Seward*



State Capitol, Room 427
Juneau AK 99801-1182
907-465-4843
Fax: 907-465-3871
800-892-4843

North to the Future

Senator Cathy Giessel

SB 127 Vehicle Transaction Agents Sponsor Statement

Senate Bill 127 is designed to improve the quality of service and efficiency of the Department of Motor Vehicles. Advanced Business Partnerships (ABPs) are already doing contract work for the DMV by providing license plates, vehicle registration and renewals, titles, as well as other functions, for citizens at convenient locations for citizens. This bill would allow retention of the administrative costs to the ABPs.

Currently, the businesses themselves are paying the fees for these transactions, including credit card fees. The private sector ABPs provide a high quality of service, efficiency, shorter lines and increased customer satisfaction.

This is not a new concept for the State of Alaska. As a matter of fact, what SB 127 proposes is already being used by the Department of Fish & Game in allowing private businesses, such as Fred Meyer, to sell and issue hunting and fishing licenses. In the face of budget shortfalls, strategies like SB 127 are an effective way to reduce government through innovative use of the private sector. This is a win-win-win for Alaskans: it's good for the government due to reduced workload, it's good for business due to increased revenue, and it's good for the public due to a more efficient DMV and more options and locations to receive DMV services.

Please join me in support of Senate Bill 127.

Sen.Cathy.Giessel@akleg.gov

ALASKA STATE LEGISLATURE

Senate District N
*Anchorage Hillside, Turnagain Arm,
Cooper Landing, Sterling, Nikiski,
Moose Pass, Bear Creek, Seward*



State Capitol, Room 427
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North to the Future

Senator Cathy Giessel

SB 127 Vehicle Transaction Agents Explanation of Changes

The change between version C and version A of SB 127 is simply to allow the DMV to honor the current agreements during the time it takes for the department to promulgate and adopt regulations covering the agreement prerequisites and provisions set out in this statute.

It will allow the department to begin providing the 15% retained commissions to the Business Partners on the effective date of the bill without waiting for enabling regulations.

This language is clear in that all proceeds, with the exception of municipal taxes or other fees, are eligible for the 15% retained commissions.

Sen.Cathy.Giessel@akleg.gov

Alaska Tags & Titles
DMV Transactions & Revenue Generated
From September 2004 – December 2013

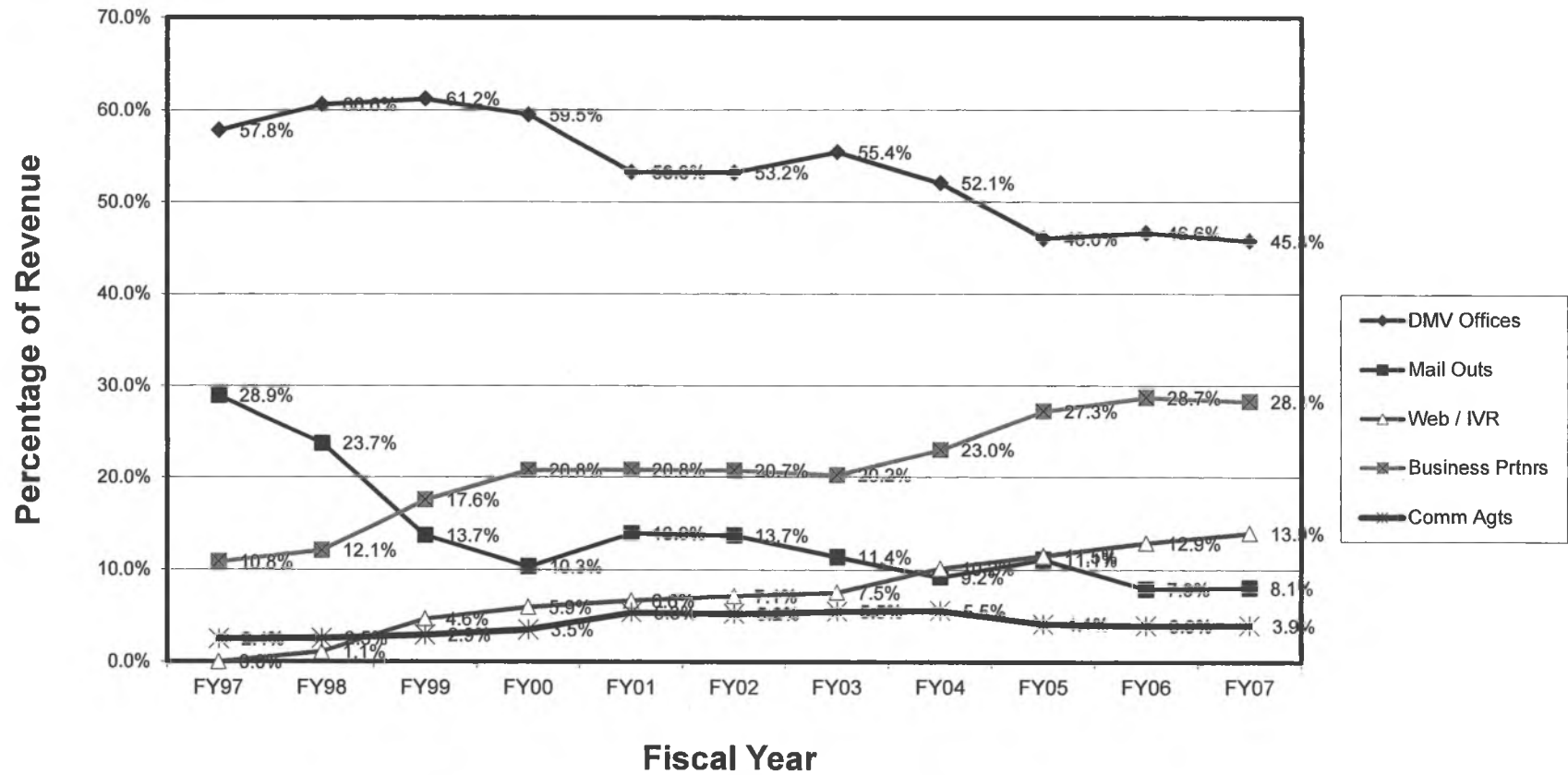
- 341,780 Total DMV Transactions Performed since 2004
- \$30,718,925 Revenue Generated for the State of Alaska 9/2004 – 12/2013
- 27% Average annual growth in both Transactions performed & State revenue generated
- 4 branches in 3 Alaskan Communities

Submitted by Sponsor
provided by Alaska Tags & Titles

**DMV Transaction History for Specific Locations
FY 2013**

Name	Vehicle Registration (MV/Snowmachine/	60 temp permits	Driving Records	Boat Registration	Disability Placards	Research Requests	Personalized Plates	Total
BENSON	129,292	642	22,556	775	0	1,615	494	155,374
ANCHORAGE-DOWNTOWN	16,548	166	1,206	51	0	666	114	18,751
FAIRBANKS	40,803	622	3,893	193	0	146	122	45,779
MATSU	47,264	351	2,585	203	0	215	162	50,780
Disability Placards: Free, no way to track transaction history								

DMV Revenue Sources FY97 - FY07



Sec. 16.05.380. Commissioner may appoint agents. The commissioner may appoint state employees or other persons to take applications, issue licenses, permits, and tags, and collect fees. The commissioner is not liable for defalcation or failure to account for the fees collected by any person so appointed, but the commissioner shall require a bond in an adequate sum, conditioned upon faithfully accounting for all money collected. However, the commissioner may waive the bond requirements of an instrumentality of the United States or its agents and employees when the instrumentality or its agents or employees sell licenses, permits, or tags primarily to persons in the armed forces. Each person, upon appointment by the commissioner, may administer oaths on applications for licenses, permits, and tags.

Sec. 16.05.390. Fees and compensation for issuance of licenses, permits, and tags.

(a) Except as provided in (e) of this section, an agent appointed by the commissioner under AS 16.05.380 to sell licenses, permits, and tags is entitled to

(1) retain five percent of the fee that is charged for a license, permit, or tag or 25 cents for each license, permit, or tag sold, whichever is greater; and

(2) compensation of \$50 per year or \$1 for each license, permit, or tag sold during the year, whichever is greater.

(b) Each agent appointed to sell licenses, permits, or tags under AS 16.05.380 shall, as directed by the commissioner, transmit the proceeds from the sales of licenses, permits, and tags, except the amount authorized to be retained under (a)(1) of this section, together with a report of the sales, to the commissioner for deposit in the fish and game fund or the general fund.

(c) On March 31, June 30, September 30, and December 31 of each year the commissioner shall calculate the compensation earned by an agent under (a)(2) of this section, minus the penalties assessed under (g) of this section. If the compensation due exceeds \$50, the commissioner shall pay the compensation not later than 30 days after the date for which the compensation was calculated. If the compensation due is \$50 or less, the commissioner shall pay the compensation not later than January 30 of the year following the year in which the compensation was earned. The commissioner shall pay compensation only for sales of licenses, permits, or tags for which the commissioner has received the report and proceeds required to be

transmitted under (b) of this section.

(d) Compensation provided by this section shall be paid from appropriations made to the department.

(e) The provisions of (a) of this section do not apply to a state employee appointed by the commissioner under AS 16.05.380 to sell licenses, permits, and tags.

(f) Proceeds and reports under (b) of this section shall be transmitted to the commissioner by the last day of the month following the month in which the licenses, permits, and tags are sold, unless an alternative reporting schedule has been established by contract.

(g) The commissioner may assess a penalty against an agent who does not transmit proceeds within the time allowed under (f) of this section. The penalty is equal to one and one-half percent of the amount of proceeds due. The penalty may be assessed for each month or portion of a month that the proceeds are delinquent. A penalty under this subsection shall be withheld from the agent's compensation under (a)(2) of this section.

Sec. 28.10.421. Registration fee rates. (a) Unless otherwise provided by law,

(1) the fees prescribed in this section shall be paid to the department at the times provided under AS 28.10.108 and 28.10.111; and

(2) an additional fee of \$10 shall be added to the registration fee set out in this section for registration not conducted by mail or not conducted at an emissions inspection station or contract office offering vehicle registration services; the department may waive this additional fee for a good cause based on criteria established in regulations adopted by the department.

Sec. 28.10.431. Biennial motor vehicle registration tax.

(e) The department shall refund money collected under this section, less eight percent as collection costs, to a municipality for which the money was collected, as determined by (1) the address of residence of an individual required to pay the tax, or (2) the situs of the vehicle if the vehicle is not owned by an individual; the tax situs is the location at which the motor vehicle is usually, normally, or regularly kept or used during the registration period. For the first year in which the tax is levied within a municipality, the department may retain actual costs of collection of the tax within the municipality as determined by the department.



ALASKA AUTO DEALERS ASSOCIATION

P.O. Box 201305, Anchorage, Alaska 99520-1305

January 23, 2014

The Honorable Cathy Giessel
Alaska State Legislature
120 4th Street
Juneau, Alaska 99801-1182

RE: Senate Bill 127

Dear Senator Giessel:

The Alaska Auto Dealers Association wished to inform you of our support for Senate Bill 127. We believe it brings fairness to many Alaskan businesses that are doing work assisting Alaskans and the Division of Motor Vehicles with motor vehicle registrations that must otherwise be done by the state.

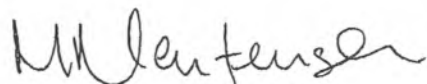
The state has invited auto dealers to perform DMV work required for their sales (i.e. the new Alaska Title and Registration) rather than rely solely on additional staff and increased labor costs. This was done to improve customer service at the DMV and shorten the amount of time customers spent waiting for service at the DMV office.

Clearly, there will always be needs that can only be met in a State DMV office, however more "Business Partnerships" processing more Alaska Title and Registration work would cut down on the number of daily transactions in the DMV office and, in turn, lead to less wait time for its customers.

The state retains the exact same amount of revenue regardless of where the customer performs their transaction, but the labor cost has shifted from the state to the individual Business Partner. This proposal will provide a small amount of compensation from that revenue in a manner not unlike the relationship between the State Department of Fish & Game and the vendors that sell hunting & fishing licenses (*AS 16.05.390*).

Members of the Alaska Auto Dealers Association are willing to assist the State of Alaska with its auto licensing function but, as businesses, we believe reasonable compensation by the state is a fair and appropriate practice in the marketplace.

Sincerely,



Marten Martensen
President

From: "VanderMartin, Wes" <wes.vandermartin@anchsand.com>
Date: February 11, 2014 at 3:51:29 PM AKST
To: "senator.cathy.giessel@akleg.gov" <senator.cathy.giessel@akleg.gov>
Cc: Aves Thompson <aves96@aol.com>
Subject: SB 127 VEHICLE TRANSACTION AGENTS

Dear Senator Giessel,

Regarding SB 127 VEHICLE TRANSACTION AGENTS.

DMV has Contract Partners that provide registration and titling services at non state owned locations. These shops provide a valuable service to our company in handling our title, registration, motor vehicle records, lost titles, lost plates and a whole host of other services. For these services, these contractors receive nothing from the state except some of the paper supplies and forms. These shops do charge their customers a nominal service fee and that is the only income they receive for their services. This bill provides for a small commission fee for the work that they do. We feel that this is a matter of fairness to compensate them for the work they do for the state and allow them to grow their businesses.

For these reasons, we support SB 127.

Thank you.

Wes Vander Martin

Vice President/General Manager



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From: W.E. (Bill) Northrup [<mailto:logmamt@mosquionet.com>]

Sent: Friday, February 07, 2014 6:40 PM

To: Sen. Cathy Giessel

Cc: Governor Sean Parnell; Sen. John Coghill; Sen. Pete Kelly; Rep. David Guttenberg; Rep. Doug Isaacson; Rep. Scott Kawasaki; Rep. Tammie Wilson

Subject: SB 127, Letter of Support

Alaska Transportation Unlimited, LLC is the largest cab company in Fairbanks, with 35 cars on the road, and over 90 drivers on our drivers list. We also maintain a car dealership, Eagle Used Autos, to supplement our procurement of less-costly used cars to convert into taxi cabs and to provide drivers, friends and the public a means to purchase a decent vehicle at a reasonable price. (The primary reason for the Dealer's License is admission to Dealer Auctions where we get the best deal on cars to make into cabs)

Consequently, we use DMV services... A LOT. Of course, with a 100,000 people in the area, there are lots of vehicle transactions as well as I.D./Driver's License transactions the year round. A couple summers ago the average wait time @ the Fairbanks DMV was about 4 hours. This really takes a lot out of someone's day if you have anything to

Be done at DMV. Then we got the DMV contractor program going... not only was there Alaska Tags and Titles, but the Jiffy Lubes, Auto Dealerships, and a couple repair businesses got into the act and the traffic flow @ DMV / Fairbanks got to be workable... now the wait time can be anywhere from 10 minutes to 1 Hour, a much more reasonable situation.

SB127, as I read it, will improve the cash flow of the DMV contractor in such that they don't have to add a lot of extra fees to pay their expenses, which would hurt the paying

Customer, the public. This will allow these businesses a stable environment in order to provide professional, efficient service. The wait times are minimal, if any, and the service is great.

I wholly support the passage of SB 127.

Thanks,

W.E. (Bill) Northrup
Ops/Admin Manager
Alaska Transportation Unlimited, LLC
Dba: Eagle Cab & Yellow Cab
543 Front St
Fairbanks, Alaska 99701-3435
(907) 456-8536 (T) (866) 875-6406 (F)

logmamt@mosquionet.com

State Capitol Room 427
Juneau AK, 99801
[senator.cathy.giessel@akleg.gov]
Phone: 907-465-4843

Dear Senator Giessel,

Thank you for sponsoring SB 127. We at Alaska Transportation Unlimited, LLC have utilized privatized DMV Agents for our titling and registration needs since the DMV Business Partner Program began. These agencies are efficient, professional, and offer tremendous customer service to meet our needs. These privatized businesses reduce the workload of the Division of Motor Vehicles, reduce the size of government, and offer Alaskans extended business hours and more locations for DMV services.

SB 127 encourages small business to expand their services, locations, and business hours by paying for a fractional percentage of their business costs. Privatized DMV Agents act on behalf of the State, but receive no compensation from the State for their services. Specifically, the fractional percentage proposed will help offset credit card fees. When customers pay with a credit card, the State of Alaska receives 100% of their funds for services they did not provide while the small business actually providing the service bears the financial burden.

This legislation is long overdue and our company, Alaska Transportation Unlimited, LLC, fully supports SB 127.

Sincerely,



W.E. (Bill) Northrup
Operations / Admin Manager
Alaska Transportation Unlimited, LLC
Db: Eagle Cab & Yellow Cab
Fairbanks, Alaska
T / (907) 456-8536
F / (866) 875-6406
logmgmt@mosquitonet.com

Cc: File
Governor Sean Parnell [sean.parnell@alaska.gov]

From: Crystal Byrd <crystalb_akexpress@yahoo.com>
Date: February 18, 2014 at 2:54:23 PM AKST
To: <Senator.Cathy.Giessel@akleg.gov>
Subject: SB 127

I am in full support of SB 127 allowing DMV Contractors to be fairly compensated for the support work they do for DMV services. The Contract/Partners provide a valuable service to our company in handling title, registration, motor vehicle records, lost titles, lost plates and a whole host of other services. These vendors provide timely services that state DMV offices cannot provide, especially in smaller towns with one DMV. We understand that there is an additional fee and we are willing to pay the fee for the convenience of their services. I do understand that this is the only income they receive. We feel this is a matter of fairness for the State of Alaska to compensate them for work they do that would otherwise have to be handled by the State DMV offices. This gives the state a way to have less employees but still have the personnel to handle DMV matters. We urge you to support these small business contractors that are providing a great service to Alaskans.

For these reasons, I support SB 127

Crystal Byrd

Forrest Wolfe

From: Duane Bannock <duane@radiokenai.com>
Sent: Thursday, January 23, 2014 12:59 PM
To: Forrest Wolfe
Subject: Re: Senate Bill 127
Attachments: Copy of DMV Revenue by Loc-Chart.xls

Thank you for the invitation to comment on Senate Bill 127.

As a way of background: I had the privilege and honor of serving as the State of Alaska's Division of Motor Vehicles (DMV) director from February 2003 to November 2007. My goals as director were simple: to improve customer service at the DMV and shorten the amount of time spent waiting for service at the DMV office.

While others in leadership had similar goals, my strategy was different; rather than rely solely on additional staff and increased labor costs, my focus was to put less people in the DMV office.

Clearly, there will always be needs that can only be met in a State DMV office, however there is a program started prior to my time as director named "Business Partnership" that granted select, individual auto dealerships the ability to perform DMV work required for their sales (i.e. the new Alaska Title and Registration). This program was later expanded in Anchorage & Fairbanks to allow Inspection & Maintenance (I/M) Stations (for emission testing) to process registration renewals.

My strategy of less customers waiting at DMV required more alternatives to the traditional method of 'mail-in' and internet registration renewals. The expansion of the Business Partnership was the key element of that strategy. More Business Partners processing more Alaska Title and Registration work would cut down on the number of daily transactions in the DMV office and, in turn, lead to less wait time.

Part of my expansion plan included 'stand-alone' Business Partners; those individual privately-owned businesses that would sell the DMV products and service in a manner similar to a traditional state-owned DMV office. With more options for customers to find their DMV needs satisfied, the state DMV would be 'loosing' customers. Of course, in the business world, no one like to lose customers and additional business, but in this case, it is the DMV customer that wins!

As the Business Partnership expansion grew, there was a measurable decrease in the customers using state facilities (please see attached chart: DMV Revenue Source FY97 – FY 07).

It's fair to include internet revenue to a portion of the DMV office decline; however the web-based program was limited (at time of this chart) to vehicle registration renewals only. Business Partners perform not only renewals, but also the much more labor intensive and important State of Alaska Certificate of Vehicle Title.

The state retained the exact same amount of revenue regardless of where the customer performed their transaction, but the labor cost had shifted from the state to the individual Business Partner. My proposal was to provide a small amount of compensation from that revenue in a manner not unlike the relationship between the State Department of Fish & Game and the vendors that sell hunting & fishing licenses (AS 16.05.390).

On Wed, Jan 22, 2014 at 4:47 PM, Forrest Wolfe <Forrest.Wolfe@akleg.gov> wrote:

Good Afternoon Mr. Bannock,

My name is Forrest Wolfe and I am currently working for Senator Cathy Giessel on SB127, which authorizes the state to pay agents for certain transactions. I understand this was originally an issue you worked on while overseeing the DMV and I was wondering if perhaps you could sort of briefly bring me up to speed on this issue. Why the bill is necessary, what it does, how it will make things better, and any other history behind this issue you deem important. I appreciate any assistance you can provide.

Thank you.

Sincerely,

Forrest Wolfe

Forrest Wolfe

Office of Senator Cathy Giessel

State Capitol

Juneau, AK 99801

Office [907.465.4843](tel:907.465.4843)

Fax [907.465.3871](tel:907.465.3871)

From: Jim Scherieble [<mailto:ischerieble@kenworthalaska.com>]
Sent: Wednesday, February 12, 2014 9:27 AM
To: Sen. Cathy Giessel
Subject: Support for SB127

Dear Senator Giessel,

Concerning SB 127 VEHICLE TRANSACTION AGENTS.

DMV has Contract Partners that provide registration and titling services at non state owned locations. These shops, are not only convenient and prompt, but also provide a valuable service to our company in handling our title, registration, motor vehicle records, lost titles, lost plates and a whole host of other services. For these services, these contractors receive no compensation from the state except for some of the paper supplies and forms. These shops do charge their customers a nominal service fee, which is the only income they receive for their services, but these fees do not cover all the business costs involved. This bill provides for a small commission fee for the work that they do. We feel that this is a matter of fairness to compensate them labor and expenses they incur in providing these services for the DMV and allow them to grow their businesses.

For these reasons, we support SB 127.

Thank you for your consideration.

Jim Scherieble

General Manager-Alaska

Kenworth Alaska

907-279-0602 office

907-230-8335 cell

www.kenworthalaska.com

From: josie Carnegie <josie_akexpress@yahoo.com>

Date: February 19, 2014 at 3:39:48 PM AKST

To: <senator.cathy.giessel@akleg.gov>

Subject: sb 127

I am in full support of SB 127 allowing DMV Contractors to be fairly compensated for the support work they do for DMV services. The Contract/Partners provide a valuable service to our company in handling title, registration, motor vehicle records, lost titles, lost plates and a whole host of other services. Our company uses contractors located in Soldotna, AK. These vendors provide timely services that state DMV offices cannot provide. We understand that there is an additional fee and we are willing to pay the fee for the convenience of their services. I do understand that this is the only income they receive. We feel this is a matter of fairness for the State of Alaska to compensate them for work they do.... that would otherwise have to be handled by the State DMV offices. We urge you to support these small business contractors that are providing a great service to Alaskans. For these reasons, we support SB 127

Thanks, Josie

From: Kim Mahosky [<mailto:kim@goldennorth.com>]
Sent: Tuesday, February 11, 2014 3:54 PM
To: Sen. Cathy Giessel
Subject: SB 127 VEHICLE TRANSACTION AGENTS

Dear Senator Giessel,

DMV has Contract Partners that provide registration and titling services at non-state owned locations. These shops provide a valuable service to our company in handling our title, registration, motor vehicle records, lost titles, lost plates and a whole host of other services. For these services, these contractors receive nothing from the state except some of the paper supplies and forms. These shops do charge their customers a nominal service fee and that is the only income they receive for their services. This bill provides for a small commission fee for the work that they do. We feel that this is a matter of fairness to compensate them for the work they do for the state and allow them to grow their businesses.

For these reasons, we support SB 127.

Thank you for your consideration,

Kim

Kim Mahosky

Government Affairs



Our expertise. Your peace of mind.

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Agent for United Van Lines

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Anchorage, AK 99518

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From: Jeremy Miller [mailto:jmiller@carlile.biz]
Sent: Wednesday, February 12, 2014 8:14 AM
To: Sen. Cathy Giessel
Subject: SB 127 VEHICLE TRANSACTION AGENTS

Senator Giessel,

It was very nice to see you last week outside the reception at the Baranof. Like I told you then I am one of your constituents and very proud to have you as my Senator. The reason I was down in Juneau was to accompany some of my fellow Alaska Trucking Association members on our annual legislative trip. As you know the ATA has a list of what we consider to be our priorities for this session and one of those is addressed in SB 127. The ATA along with some other local businesses provide a service to the general public that saves them the time and hassle of having to deal with the DMV. The DMV enjoys all the revenue for this service but doesn't have to incur the expense. I would like to ask for your support of SB 127. Our belief is that if this bill is successful it will allow all the businesses providing this service to continue to grow and expand. Thank you very much for all the great things you have done.



Jeremy Miller, PMP

Director of Facilities | Carlile Transportation Systems, Inc.

Email: jmiller@carlile.biz

Anchorage Office: (907) 276-7797

Cellular: (907) 632-2427

Web: www.carlile.biz

Dear Senator Giessel,

Thank you for introducing SB127. I have been a DMV partner since 2006 with a store front business open to customers in North Pole. Our service has been valuable to the customers of North Pole, Fairbanks, Salcha, and Delta Junction, even Nenana. We have enhanced hours from the Fairbanks DMV and are open on Saturdays as well as most holidays that the local DMV is closed. We do mail-in registrations and titles for our customers who are overseas in the military or full-time students. We do large batches of titles and registration for a few car dealers in town because they can get a quick turn around with their title work that is not available at the Fairbanks DMV.

We charge a reasonable amount no more than \$15-20 per transaction (depends on if it is registration or title and registration). This charge must cover the cost of building mortgage, liability insurance, general insurance, phone, electricity, fuel, computers, and printer. It must cover the salary of a trained staff (training takes several weeks, and I must cover the cost of sending new staff to Anchorage for three days of training). Previously we were reimbursed by DMV for our weekly mailing of documents processed in the amount of \$10 per week. Now this reimbursement is no longer available; it is close to \$500 a year for us to send these documents. We also have to pay, with no reimbursement, for the expired tabs to be sent back to Anchorage.

The 15% fee to help defray these costs would be so very helpful. It would allow us to have another person trained and available to support our services. The DMV customers in the state of Alaska benefit from quicker transactions (time is money for our customers, they are taking off work to get to the DMV during M-F business hours), they really appreciate the later daily hours and open Saturdays.

I thank you for bringing this bill forward.

Leslie Gustafson, President
Express Title & Tag
PO Box 56300
North Pole, AK 99705
www.whitespruce.com
907-488-3004 Office
907-388-4541 Cell
leslie@whitespruce.com



Little Red Services

3700 Centerpoint Drive, Suite 1300

Anchorage, AK 99503

Phone: (907) 349-2931

Fax: (907) 349-2750

Dear Senator Giessel,

Pls reference SB 127 VEHICLE TRANSACTION AGENTS.

DMV has Contract Partners that provide registration and titling services at non state owned locations. These shops provide a valuable service to our company in handling our title, registration, motor vehicle records, lost titles, lost plates and a whole host of other services. For these services, these contractors receive nothing from the state except some of the paper supplies and forms. These shops do charge their customers a nominal service fee and that is the only income they receive for their services. This bill provides for a small commission fee for the work that they do. We feel that this is a matter of fairness to compensate them for the work they do for the state and allow them to grow their businesses.

For these reasons, we support SB 127.

Thank you.

Joe Curgus

VP Operations

From: Chuck Onstott <chucko@spanalaska.com>
Date: February 17, 2014 at 9:57:42 AM AKST
To: <senator.cathy.giessel@akleg.gov>
Cc: Aves Thompson <aves@aktrucks.org>
Subject: SB 127 VEHICLE TRANSACTION AGENTS

Dear Senator Giessel,

I am in full support of SB 127 allowing DMV Contractors to be fairly compensated for the support work they do for DMV services. The Contract/Partners provide a valuable service to our company in handling title, registration, motor vehicle records, lost titles, lost plates and a whole host of other services. Our company uses contractors located on E Abbott Rd and the Trucking Association on Minnesota Ave. Both of these vendors provide timely services that state DMV offices can NOT provide. I do understand contractors charge a nominal service fee, but that is the only income they receive. We feel this is a matter of fairness to compensate them for work they do.... that would other wise have to be handled by the State DMV offices.

For these reason, we support SB 127

Thanks you

Chuck Onsottt

VP Operations

Span Alaska Transportation

2040 E 79th

Anchorage Ak

(907) 349-3606

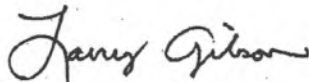
State Capitol Room 427
Juneau AK, 99801
senator.cathy.giessel@akleg.gov
Phone: 907-465-4843

Dear Senator Giessel,

Thank you for sponsoring SB 127. We at MV Transportation have utilized privatized DMV Agents for our titling and registration needs since the DMV Business Partner Program began. These agencies are efficient, professional, and offer tremendous customer service to meet our needs. These privatized businesses reduce the workload of the Division of Motor Vehicles, reduce the size of government, and offer Alaskans extended business hours and more locations for DMV services.

SB 127 encourages small business to expand their services, locations, and business hours by paying for a fractional percentage of their business costs. Privatized DMV Agents act on behalf of the State, but receive no compensation from the State for their services. Specifically, the fractional percentage proposed will help offset credit card fees. When customers pay with a credit card, the State of Alaska receives 100% of their funds for services they did not provide while the small business actually providing the service bears the financial burden.

This legislation is long overdue.



Larry Gibson,

Fleet Manager
MV Transportation

From: Michael Moeller [<mailto:moellermichael@hotmail.com>]
Sent: Wednesday, February 12, 2014 8:07 AM
To: Sen. Cathy Giessel
Cc: aves@aktrucks.org
Subject: SB 127 VEHICLE TRANSACTION AGENTS

Dear Senator Giessel,

DMV has Contract Partners that provide registration and titling services at non-state owned locations. These shops provide a valuable service to our company in handling our title, registration, motor vehicle records, lost titles, lost plates and a whole host of other services. For these services, these contractors receive nothing from the state except some of the paper supplies and forms. These shops do charge their customers a nominal service fee and that is the only income they receive for their services. This bill provides for a small commission fee for the work that they do. I feel that this is a matter of fairness to compensate them for the work they do for the state and allow them to grow their businesses.

For these reasons, I support SB 127.

Thank you.

Mike Moeller

2997 N Woodfield Park Circle

Wasilla, AK 99654

907-229-6107

From: Scott Hicks [<mailto:SHICKS@awe.lynden.com>]
Sent: Wednesday, February 12, 2014 9:35 AM
To: Sen. Cathy Giessel
Subject: SB 127 VEHICLE TRANSACTION AGENTS.

Dear Senator Giessel,

Please reference: SB 127 VEHICLE TRANSACTION AGENTS.

DMV has Contract Partners that provide registration and titling services at non state owned locations. These shops provide a valuable service to our company in handling our title, registration, motor vehicle records, lost titles, lost plates and a whole host of other services. For these services, these contractors receive nothing from the state except some of the paper supplies and forms. These shops do charge their customers a nominal service fee and that is the only income they receive for their services. This bill provides for a small commission fee for the work that they do. We feel that this is a matter of fairness to compensate them for the work they do for the state and allow them to grow their businesses.

For these reasons, we support SB 127.

Thank you.

Scott Hicks

Alaska West Express, Inc

1048 Whitney Rd

Anchorage, Ak 99501

907-339-5106

From: Lee McKenzie [<mailto:leem@trailercraft.com>]
Sent: Wednesday, February 12, 2014 7:48 AM
To: Sen. Cathy Giessel
Subject: Senate Bill 127

Dear Senator Giessel,

Please reference SB 127 VEHICLE TRANSACTION AGENTS.

DMV has Contract Partners that provide registration and titling services at non state owned locations. These shops provide a valuable service to our company in handling our title, registration, motor vehicle records, lost titles, lost plates and a whole host of other services. For these services, these contractors receive nothing from the state except some of the paper supplies and forms. These shops do charge their customers a nominal service fee and that is the only income they receive for their services. This bill provides for a small commission fee for the work that they do. We feel that this is a matter of fairness to compensate them for the work they do for the state and allow them to grow their businesses.

For these reasons, we support SB 127.

Thank you.

Lee Mckenzie

President

TrailerCraft Inc./Freightliner of Alaska

907-563-3238 (office)

907-561-4995 (fax)

907-440-8785 (cell)

See us on the web @ www.trailercraft.com

From: George Lowery [<mailto:george.lowery@totemocean.com>]
Sent: Tuesday, February 11, 2014 4:30 PM
To: Sen. Cathy Giessel
Subject: SB 127 - Vehicle transaction agents

Dear Senator Giessel,

The Department of Motor Vehicles has Contract Partners that provide registration and titling services at non state owned locations. These partners provide a valuable service to our company in handling our title, registration, motor vehicle records, lost titles, lost plates and a whole host of other services. For these services, these contractors receive nothing from the state except some of the paper supplies and forms. These shops do charge their customers a nominal service fee and that is the only income they receive for their services.

This bill provides for a small commission fee for the work that they do. We feel that this is a matter of fairness to compensate them for the work they do for the state and allow them to grow their businesses.

For these reasons, we support SB 127.

Thank you.

George Lowery | Alaska Director | **Totem Ocean Trailer Express, Inc. (Totem Ocean)**

2511 Tidewater Road Anchorage, AK 99501 | O: 907-265-7233 | C: 907-242-7293 |
www.totemocean.com