

HB

19

<TARGET><BILL>HB 19</BILL><SUBJECT>HB
19</SUBJECT><COMM>HRLS28</COMM></TARGET>

ALASKA STATE LEGISLATURE

Co-Chair:
House Finance Committee

Chair:
House Finance Subcommittees for;
Alaska Court System
Fish & Game

Member:
Legislative Council
Committee on Committees
Legislative Budget & Audit (alt)



BILL STOLTZE
STATE REPRESENTATIVE
Representative.Bill.Stoltze@akleg.gov

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Sponsor Statement
For House Bill 19
by Representative Bill Stoltze

The passage of House Bill 19 would establish a new type of registration available through the Division of Motor Vehicles, allowing for the permanent registration of personal-use motor vehicles older than eight years old and non-commercial trailers.

The proposed change to state statutes calls for the addition of a one-time \$25 fee plus the regular registration fee for an eligible vehicle, to register vehicles for personal use as long as the registered owner continues to own the vehicle. It also allows for the continuation of the regular biennial registration, already existing in the statutes.

Similar changes are made in statutes for non-commercial trailers. Owners will be able to obtain permanent registration for an additional fee of \$25 above the normal registration fee. Permanent registration is in effect until ownership of the trailer changes. It also allows for the continuation of the regular biennial registration, already existing in the statutes.

This change will make the DMV re-registration process more user-friendly to the owners of qualifying vehicles and trailers, while lightening the work load for DMV by reducing the number of registrations processed.

Permanent registration will result in a cost savings for Alaskans.

I appreciate your support in this important legislation.

adopted

28-LS0130\U.4
Strasbaugh
2/7/14

AMENDMENT # 1

Olsen

OFFERED IN THE HOUSE
TO: CSHB 19(TRA)

BY REPRESENTATIVE JOHNSON

1 Page 1, line 1, following "registration":

2 Insert "in the unorganized borough and in a municipality that has elected to allow
3 permanent registration"

4

5 Page 1, line 13, following "old":

6 Insert "and the owner resides in the unorganized borough or in a municipality that
7 elects, by passage of an appropriate ordinance, to allow the permanent registration of motor
8 vehicles"

9

10 Page 2, line 27, following "or":

11 Insert ", if the person resides within the unorganized borough or in a municipality that
12 elects, by passage of an appropriate ordinance, to allow the permanent registration of motor
13 vehicles,"

FISCAL NOTE

STATE OF ALASKA
2013 LEGISLATIVE SESSION

Bill Version CSHB 19(TRA)
Fiscal Note Number 1
(H) Publish Date 2/15/13

Identifier (file name) HB019-DOA-DMV-2-07-13 Dept. Affected Administration
Title Perm. Mot. Veh. Registration/Trailers Appropriation Motor Vehicles
Allocation Motor Vehicles
Sponsor Representatives Stoltze and Keller
Requester House Transportation OMB Component Number 2348

Expenditures/Revenues (Thousands of Dollars)

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

	FY14 Appropriation Requested	Included in Governor's FY14 Request	Out-Year Cost Estimates				
			FY15	FY16	FY17	FY18	FY19
OPERATING EXPENDITURES	FY14	FY14	FY15	FY16	FY17	FY18	FY19
Personal Services							
Travel							
Services	100.1						
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	100.1	0.0	0.0	0.0	0.0	0.0	0.0

FUND SOURCE		(Thousands of Dollars)					
1002	Federal Receipts						
1003	GF Match						
1004	GF						
1005	GF/Prgm (DGF)	100.1					
1037	GF/MH (UGF)						
1178	temp code (UGF)						
TOTAL		100.1	0.0	0.0	0.0	0.0	0.0

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES	5,346.0		5,982.0	(17,836.0)	(20,128.0)	(20,128.0)	(22,420.0)
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Estimated SUPPLEMENTAL (FY13) operating costs 0.0 (separate supplemental appropriation required)
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY14) costs 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? 1/1/2014 Discuss details in analysis section.

Why this fiscal note differs from previous version (if initial version, please note as such)

Not applicable, initial version.

Prepared by Amy Erickson, Director
Division Motor Vehicles
Approved by Curtis Thayer, Deputy Commissioner
Department of Administration

Phone 907-269-5559
Date/Time 2/7/13 10:41 AM
Date 2/7/2013

FISCAL NOTE ANALYSIS #1

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. CSHB 19(TRA)

Analysis

The effective date of this bill is January 1, 2014.

This bill allows for permanent registration of non-commercial vehicles that are at least eight years old, allows for permanent registration of all non-commercial trailers, establishes a one-time \$25 permanent registration fee, allows municipalities to establish one-time Motor Vehicle Registration Tax (MVRT) rates for permanent registrations, and caps the MVRT that DMV may collect for permanent registration at \$100.

Expenditures

The database for DMV will need programming to allow for permanent registration of non-commercial trailers, and permanent registration of non-commercial vehicles eight years and older.

Estimated contract hours: 700

Cost per hour: \$143

Total programming cost: 700 x \$143 = \$100,100.

Revenues

Motor Vehicle Registration Tax (MVRT): The DMV currently collects MVRT for 16 communities: Anchorage, Bethel, Bristol Bay Borough, Cordova, Dillingham, Juneau, Kenai Peninsula Borough, Ketchikan Gateway Borough, Kodiak Island Borough, Matanuska Susitna Borough, Nenana, Nome, Petersburg, Sitka, Unalaska, and Whittier. Eighty-four percent (84%) of all vehicles and 77% of all trailers reside in a community that collects MVRT, and on average, 72% of vehicles are eligible for permanent registration. Eight percent (8%) of the MVRT collected is retained by the state as collection costs; historically, the collection costs have been approximately \$1 million annually. Eliminating biennial MVRT for approximately 533,000 vehicles and trailers will reduce the collection costs. The net effect on the general fund is indeterminate.

Assumptions:

- 1) **Non-commercial vehicles at least 8 years old** - 478,400 vehicles will be eligible for permanent registration in 2014 (based on currently registered vehicles). Half (239,200) will renew in 2014 and half will renew in 2015. Approximately 30,300 vehicles will become eligible each year. This is an average of the number of currently registered vehicles with model years 2002-2012.
- 2) **Non-commercial trailers** - 115,500 trailers will be eligible for permanent registration in 2014 (based on currently-registered vehicles). Half (57,750) will renew in 2014 and half will renew in 2015. Approximately 5,000 new trailers are registered each year. This is an average of the number of currently registered trailers with model years 2002-2012.
- 3) DMV estimates that 90% of owners will elect for permanent registration on vehicles and non-commercial trailers. The additional \$25 for permanent registration is low enough to make that option attractive for all except those who know they will be moving out of state replacing the vehicle/trailer within the following two years.
- 4) DMV experience shows that registrations are never renewed on approximately 20% of older vehicles.

Performance Measures

The DMV expects this bill will have very little impact on its performance measures, since only about 11% of registration renewals are processed at a DMV office.

Estimated Revenue Change - HB 19 - TOTAL

	2014	2015	2016	2017	2018	2019
2014 Increase from perm reg	6,682.5	-	-	-	-	-
2014 Loss in biennial fees	-	-	(23,090.0)	-	(23,090.0)	-
2015 Increase from perm reg	-	7,477.5	-	-	-	-
2015 Loss in biennial fees	-	-	-	(25,955.0)	-	(25,955.0)
2016 Increase from perm reg	-	-	795.0	-	-	-
2016 Loss in biennial fees	-	-	-	-	(2,865.0)	-
2017 Increase from perm reg	-	-	-	795.0	-	-
2017 Loss in biennial fees	-	-	-	-	-	(2,865.0)
2018 Increase from perm reg	-	-	-	-	795.0	-
2019 Increase from perm reg	-	-	-	-	-	795.0
Total Estimated Revenue Increase/(Decrease)*	6,682.5	7,477.5	(22,295.0)	(25,160.0)	(25,160.0)	(28,025.0)
Assume 20% leave state, no longer in service or do not re-register	(1,336.5)	(1,495.5)	4,459.0	5,032.0	5,032.0	5,605.0
Net Estimated Revenue Increase/(Decrease)	5,346.0	5,982.0	(17,836.0)	(20,128.0)	(20,128.0)	(22,420.0)

*assume 100% of vehicles re-register

Vehicles

	2014	2015	2016	2017	2018	2019
2014: 239.2 current vehicles eligible for perm reg						
215.3 opt for perm reg (239.2 x 90%)						
Increase from perm reg (215.3 x \$25)	5,382.5					
Loss in biennial fees (215.3 x \$100)			(21,530.0)		(21,530.0)	
2015: 269.5 vehicles eligible for perm reg, including 30.3 newly eligible						
242.6 opt for perm reg (269.5 x 90%)						
Increase from perm reg (242.6 x \$25)		6,065.0				
Loss in biennial fees (242.6 x \$100)				(24,260.0)		(24,260.0)
2016: 30.3 newly eligible for perm reg						
27.3 opt for perm reg (30.3 x 90%)						
Increase from perm reg (27.3 x \$25)			682.5			
Loss in biennial fees (27.3 x \$100)					(2,730.0)	
2017: 30.3 newly eligible for perm reg						
27.3 opt for perm reg (30.3 x 90%)						
Increase from perm reg (27.3 x \$25)				682.5		
Loss in biennial fees (27.3 x \$100)						(2,730.0)
2018: 30.3 newly eligible for perm reg						
27.3 opt for perm reg (30.3 x 90%)						
Increase from perm reg (27.3 x \$25)					682.5	
2019: 30.3 newly eligible for perm reg						
27.3 opt for perm reg (30.3 x 90%)						
Increase from perm reg (27.3 x \$25)						682.5
Total Estimated Revenue Increase/(Decrease)	5,382.5	6,065.0	(20,847.5)	(23,577.5)	(23,577.5)	(26,307.5)

Non-Commercial Trailers

	2014	2015	2016	2017	2018	2019
2014: 57.8 current trailers eligible for perm reg						
52.0 opt for perm reg (57.8 x 90%)						
Increase from perm reg (52.0 x \$25)	1,300.0					
Loss in biennial fees (52.0 x \$30)			(1,560.0)		(1,560.0)	
2015: 62.8 trailers eligible for perm reg, including 5.0 newly eligible						
56.5 opt for perm reg (62.8 x 90%)						
Increase from perm reg (56.5 x \$25)		1,412.5				
Loss in biennial fees (56.5 x \$30)				(1,695.0)		(1,695.0)
2016: 5.0 trailers newly eligible for perm reg						
4.5 opt for perm reg (5.0 x 90%)						
Increase from perm reg (4.5 x \$25)			112.5			
Loss in biennial fees (4.5 x \$30)					(135.0)	
2017: 5.0 trailers newly eligible for perm reg						
4.5 opt for perm reg (5.0 x 90%)						
Increase from perm reg (4.5 x \$25)				112.5		
Loss in biennial fees (4.5 x \$30)						(135.0)
2018: 5.0 trailers newly eligible for perm reg						
4.5 opt for perm reg (5.0 x 90%)						
Increase from perm reg (4.5 x \$25)					112.5	
2019: 5.0 trailers newly eligible for perm reg						
4.5 opt for perm reg (5.0 x 90%)						
Increase from perm reg (4.5 x \$25)						112.5
Total Estimated Revenue Increase/(Decrease)	1,300.0	1,412.5	(1,447.5)	(1,582.5)	(1,582.5)	(1,717.5)

Fiscal Note

State of Alaska
2013 Legislative Session

Bill Version: CSHB 19(TRA)
Fiscal Note Number: 2
(H) Publish Date: 3/20/13

Identifier: HB019CS(TRA)-DOA-DMV-2-23-13
Title: PERM. MOT. VEH. REGISTRATION/TRAILERS
Sponsor: STOLTZE, KELLER
Requester: House Finance

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)

	FY2014	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2014 Request	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
OPERATING EXPENDITURES	FY 2014	FY 2014					
Personal Services							
Travel							
Services	100.1						
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	100.1	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

1005 GF/Prgm	100.1						
Total	100.1	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues	5,346.0		5,982.0	(17,836.0)	(20,128.7)	(20,128.0)	(22,420.0)
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Estimated SUPPLEMENTAL (FY2013) cost: 0.0

Estimated CAPITAL (FY2014) cost: 0.0

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? 01/01/14

Why this fiscal note differs from previous version:

The original version restricted the amount of MVRT that could be collected by DMV. The CS removed the restriction.

Prepared By: Amy Erickson, Director	Phone: (907)269-5559
Division: Motor Vehicles	Date: 02/23/2013 07:36 AM
Approved By: Curtis Thayer, Deputy Commissioner	Date: 02/23/13
Department of Administration	

FISCAL NOTE ANALYSIS #2

STATE OF ALASKA
2013 LEGISLATIVE SESSION

BILL NO. CSHB 19(TRA)

Analysis

The effective date of this bill is January 1, 2014.

This bill allows for permanent registration of non-commercial vehicles that are at least eight years old, allows for permanent registration of all non-commercial trailers, establishes a one-time \$25 permanent registration fee, allows municipalities to establish one-time Motor Vehicle Registration Tax (MVRT) rates for permanent registrations.

Expenditures

The database for DMV will need programming to allow for permanent registration of non-commercial trailers, and permanent registration of non-commercial vehicles eight years and older.

Estimated contract hours: 700

Cost per hour: \$143

Total programming cost: $700 \times \$143 = \$100,100$.

Revenues

Motor Vehicle Registration Tax (MVRT): The DMV currently collects MVRT for 16 communities: Anchorage, Bethel, Bristol Bay Borough, Cordova, Dillingham, Juneau, Kenai Peninsula Borough, Ketchikan Gateway Borough, Kodiak Island Borough, Matanuska Susitna Borough, Nenana, Nome, Petersburg, Sitka, Unalaska, and Whittier. Eighty-four percent (84%) of all vehicles and 77% of all trailers reside in a community that collects MVRT, and on average, 72% of vehicles are eligible for permanent registration. Eight percent (8%) of the MVRT collected is retained by the state as collection costs; historically, the collection costs have been approximately \$1 million annually. Eliminating biennial MVRT for approximately 533,000 vehicles and trailers will reduce the collection costs. The net effect on the general fund is indeterminate.

Assumptions:

- 1) **Non-commercial vehicles at least 8 years old** - 478,400 vehicles will be eligible for permanent registration in 2014 (based on currently-registered vehicles). Half (239,200) will renew in 2014 and half will renew in 2015. Approximately 30,300 vehicles will become eligible each year. This is an average of the number of currently registered vehicles with model years 2002-2012.
- 2) **Non-commercial trailers** - 115,500 trailers will be eligible for permanent registration in 2014 (based on currently-registered vehicles). Half (57,750) will renew in 2014 and half will renew in 2015. Approximately 5,000 new trailers are registered each year. This is an average of the number of currently registered trailers with model years 2002-2012.
- 3) DMV estimates that 90% of owners will elect for permanent registration on vehicles and non-commercial trailers. The additional \$25 for permanent registration is low enough to make that option attractive for for all except those who know they will be moving out of state replacing the vehicle/trailer within the following two years.
- 4) DMV experience shows that registrations are never renewed on approximately 20% of older vehicles.

Performance Measures

The DMV expects this bill will have very little impact on its performance measures, since only about 11% of registration renewals are processed at a DMV office.

Estimated Revenue Change - HB019CS (TRA) - TOTAL

**Fiscal Note No. 2
CSHB 19(TRA)**

	2014	2015	2016	2017	2018	2019
2014 Increase from perm reg	6,682.5	-	-	-	-	-
2014 Loss in biennial fees	-	-	(23,090.0)	-	(23,090.0)	-
2015 Increase from perm reg		7,477.5	-	-	-	-
2015 Loss in biennial fees		-	-	(25,955.0)	-	(25,955.0)
2016 Increase from perm reg			795.0	-	-	-
2016 Loss in biennial fees			-	-	(2,865.0)	-
2017 Increase from perm reg			-	795.0	-	-
2017 Loss in biennial fees			-	-	-	(2,865.0)
2018 Increase from perm reg			-	-	795.0	-
2019 Increase from perm reg			-	-	-	795.0
Total Estimated Revenue Increase/(Decrease)*	6,682.5	7,477.5	(22,295.0)	(25,160.0)	(25,160.0)	(28,025.0)
Assume 20% leave state, no longer in service or do not re-register	(1,336.5)	(1,495.5)	4,459.0	5,032.0	5,032.0	5,605.0
Net Estimated Revenue Increase/(Decrease)	5,346.0	5,982.0	(17,836.0)	(20,128.0)	(20,128.0)	(22,420.0)

*assume 100% of vehicles re-register

Vehicles

	2014	2015	2016	2017	2018	2019
2014: 239.2 current vehicles eligible for perm reg						
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Increase from perm reg (215.3 x \$25)	5,382.5					
Loss in biennial fees (215.3x \$100)			(21,530.0)		(21,530.0)	
2015: 269.5 vehicles eligible for perm reg, including 30.3 newly eligible						
242.6 opt for perm reg (269.5 x 90%)						
Increase from perm reg (242.6 x \$25)		6,065.0				
Loss in biennial fees (242.6 x \$100)				(24,260.0)		(24,260.0)
2016: 30.3 newly eligible for perm reg						
27.3 opt for perm reg (30.3 x 90%)						
Increase from perm reg (27.3 x \$25)			682.5			
Loss in biennial fees (27.3 x \$100)					(2,730.0)	
2017: 30.3 newly eligible for perm reg						
27.3 opt for perm reg (30.3 x 90%)						
Increase from perm reg (27.3 x \$25)				682.5		
Loss in biennial fees (27.3 x \$100)						(2,730.0)
2018: 30.3 newly eligible for perm reg						
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2019: 30.3 newly eligible for perm reg						
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Increase from perm reg (27.3 x \$25)						682.5
Total Estimated Revenue Increase/(Decrease)	5,382.5	6,065.0	(20,847.5)	(23,577.5)	(23,577.5)	(26,307.5)

Non-Commercial Trailers

	2014	2015	2016	2017	2018	2019
2014: 57.8 current trailers eligible for perm reg						
52 opt for perm reg (57.8 x 90%)						
Increase from perm reg (52 x \$25)	1,300.0					
Loss in biennial fees (52x \$30)			(1,560.0)		(1,560.0)	
2015: 62.8 trailers eligible for perm reg, including 5.0 newly eligible						
56.5 opt for perm reg (62.8 x 90%)						
Increase from perm reg (56.5x \$25)		1,412.5				
Loss in biennial fees (56.5 x \$30)				(1,695.0)		(1,695.0)
2016: 5.0 trailers newly eligible for perm reg						
4.5 opt for perm reg (5.0 x 90%)						
Increase from perm reg (4.5 x \$25)			112.5			
Loss in biennial fees (4.5 x \$30)					(135.0)	
2017: 5.0 trailers newly eligible for perm reg						
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Increase from perm reg (4.5 x \$25)				112.5		
Loss in biennial fees (4.5 x \$30)						(135.0)
2018: 5.0 trailers newly eligible for perm reg						
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Increase from perm reg (4.5 x \$25)					112.5	
2019: 5.0 trailers newly eligible for perm reg						
4.5 opt for perm reg (5.0 x 90%)						
Increase from perm reg (4.5 x \$25)						112.5
Total Estimated Revenue Increase/(Decrease)	1,300.0	1,412.5	(1,447.5)	(1,582.5)	(1,582.5)	(1,717.5)

ATTACHED IS THE UPDATED FY 2015 FISCAL NOTE THAT APPLIES TO
CSHB 19(TRA)

Fiscal Note

State of Alaska
2014 Legislative Session

Bill Version: HB 19
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB019CS(TRA)-DOA-DMV-01-21-14
Title: PERM. MOT. VEH. REGISTRATION/TRAILERS
Sponsor: STOLTZE, KELLER
Requester: House Rules

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	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2015 Request	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
OPERATING EXPENDITURES	FY 2015	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Personal Services							
Travel							
Services	100.1						
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	100.1	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

1005 GF/Prgm	100.1						
Total	100.1	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues	5,346.0		5,982.0	(17,836.0)	(20,128.0)	(22,420.0)	(22,420.0)
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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? 01/01/15

Why this fiscal note differs from previous version:

Updated for 2nd session to accurately reflect FY2015 and out year costs.
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Prepared By: Amy Erickson, Director

Division: Motor Vehicles

Approved By: Vurtis Thayer, Acting Commissioner

Agency: Department of Administration

Phone: (907)269-5559

Date: 09/19/2013 08:34 AM

Date: 01/10/14

APPROVED BY
CONFERENCE
COMMITTEE

Printed 1/29/2014

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2014 LEGISLATIVE SESSION

BILL NO. CSHB 19(TRA)

Analysis

The effective date for this bill is January 1, 2015.

This bill allows for permanent registration of non-commercial vehicles that are at least eight years old, allows for permanent registration of all non-commercial trailers, establishes a one-time \$25 permanent registration fee, and allows municipalities to establish one-time Motor Vehicle Registration Tax (MVRT) rates for permanent registrations.

Expenditures

The database for DMV will need programming to allow for permanent registration of non-commercial trailers, and permanent registration of non-commercial vehicles eight years and older.

Estimated contract hours: 700

Cost per hour: \$143

Total programming cost: $700 \times \$143 = \$100,100$.

Revenues

Motor Vehicle Registration Tax (MVRT): The DMV currently collects MVRT for 16 communities: Anchorage, Bethel, Bristol Bay Borough, Cordova, Dillingham, Juneau, Kenai Peninsula Borough, Ketchikan Gateway Borough, Kodiak Island Borough, Matanuska Susitna Borough, Nenana, Nome, Petersburg, Sitka, Unalaska, and Whittier.

Eighty-four percent (84%) of all vehicles and 77% of all trailers reside in a community that collects MVRT, and on average, 72% of vehicles are eligible for permanent registration. Eight percent (8%) of the MVRT collected is retained by the state as collection costs; historically, the collection costs have been approximately \$1 million annually. Eliminating biennial MVRT for approximately 533,000 vehicles and trailers will reduce the collection costs. The net effect on the general fund is indeterminate.

Assumptions:

1) **Non-commercial vehicles at least 8 years old - 478,400 vehicles will be eligible for permanent registration in 2015** (based on registered vehicles thru December 2012). Half (239,200) will renew in 2015, and half will renew in 2016. Approximately 30,300 vehicles will become eligible each year. This is an average of the number of currently registered vehicles with model years 2002-2012.

2) **Non-commercial trailers - 115,500 trailers will be eligible for permanent registration in 2015** (based on registered vehicles thru December 2012). Half (57,750) will renew in 2015, and half will renew in 2016. Approximately 5,000 new trailers are registered each year. This is an average of the number of currently registered trailers with model years 2002-2012.

3) DMV estimates that 90% of owners will elect for permanent registration on vehicles and non-commercial trailers. The additional \$25 for permanent registration is low enough to make that option attractive for for all except those who know they will be moving out of state replacing the vehicle/trailer within the following two years.

4) DMV experience shows that registrations are never renewed on approximately 20% of older vehicles.

Performance Measures

The DMV expects this bill will have very little impact on its performance measures, since only about 11% of registration renewals are processed at a DMV office.



THE STATE
of **ALASKA**
GOVERNOR SEAN PARNELL

Department of Administration

Office of the Commissioner

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PO Box 110200
Juneau, AK 99811-0200
Main: 907.465.2200
Fax: 907.465.2135
www.doa.alaska.gov

February 11, 2013

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

In response to your request please review the following data to the following questions:

Q: Is it possible to get the motor vehicle count for vehicles 8 years or older for each city or municipality that collects a motor vehicle registration tax? What is the amount of MVRT each community collected last year?

A: Please see chart below:

Community	Vehicles 8 years & older	MVRT	MVRT collected in FY12
Anchorage	190,075	\$70	\$8,603,918
Bethel	2,440	\$20	\$62,158
Bristol Bay	1,676	\$70	\$86,993
Cordova	2,403	\$16	\$35,207
Dillingham	1,748	\$16	\$30,887
Juneau	20,526	\$44	\$517,040
Kenai	55,885	\$30	\$1,490,042
Ketchikan	9,308	\$18	\$215,850
Kodiak	8,940	\$30	\$288,379
Matsu	83,919	\$70	\$4,098,156
Nenana	833	\$16	\$8,528
Nome	1,647	\$16	\$40,816
Petersburg	2,513	\$16	\$36,975
Sitka	5,809	\$16	\$96,128
Unalaska	1,796	\$116	\$147,988
Whittier	327	\$16	\$4,918

The Honorable Bill Stoltze

Page 2

February 11, 2013

I hope that all questions have been answered to your satisfaction. Please feel free to contact me if there are any additional items needing clarification.

Sincerely,

A handwritten signature in black ink, appearing to read "Curtis Thayer".

Curtis Thayer

Deputy Commissioner

cc: Becky Hultberg, Commissioner

Amy Erickson, Director

Division of Motor Vehicles

HB 19 Class Codes

Class			
Code	Normal Fee	HB 19?	Description
AA	\$100	Y	UAA Passenger
AB	\$100	Y	UAA Pickup
DC	\$100	Y	Disabled Veteran Passenger (2nd Set)
DP	\$100	Y	Disabled Veteran Pickup & Van (2nd Set)
D1	\$100	Y	Disabled Veteran Passenger (No HCP Logo)(2nd Set)
D2	\$100	Y	Disabled Veteran Pickup (No HCP Logo)
FA	\$100	Y	UAF Passenger
FB	\$100	Y	UAF Pickup
HC	\$100	Y	Handicapped Passenger (2nd Set)
HN	\$60	Y	Handicapped Motorcycle (2nd Set)
HP	\$100	Y	Handicapped Pickup & Van (2nd Set)
JA	\$100	Y	UAS Passenger
JB	\$100	Y	UAS Pickup
KA	\$100	Y	Children's Trust - Passenger
KB	\$100	Y	Children's Trust - Truck or Cargo Van
PA	\$100	Y	PWS Passenger
PB	\$100	Y	PWS Pickup
S1	\$100	Y	Support our Troops - Passenger
S2	\$100	Y	Support our Troops - Truck or Cargo Van
S3	\$60	Y	Support our Troops - Motorcycle
S4	\$30	Y	Support our Troops - Trailer
1A	\$100	Y	Army Passenger
1B	\$100	Y	Army Pickup
1C	\$100	Y	Custom Collector Passenger
1D	\$100	Y	Alaska Veteran Commemorative - Passenger
10	\$100	Y	Passenger Personalized
11	\$100	Y	Passenger
16	\$100	Y	Call Letter Passenger
2A	\$100	Y	Navy Passenger
2B	\$100	Y	Navy Pickup
2C	\$60	Y	Custom Collector Motorcycle
2D	\$100	Y	Alaska Veteran Commemorative - Truck / Van
2J	\$60	Y	Motorcycle - Vet Plates - Army
2K	\$60	Y	Motorcycle - Vet Plates - Navy
2M	\$60	Y	Motorcycle - Vet Plates - Marines
2N	\$60	Y	Motorcycle - Vet Plates - Air Force
2Q	\$60	Y	Motorcycle - Vet Plates - Coast Guard
20	\$60	Y	Motorcycle Personalized
21	\$60	Y	Motorcycle
3A	\$100	Y	Marines Passenger
3B	\$100	Y	Marines Pickup
4A	\$100	Y	Air Force Passenger
4B	\$100	Y	Air Force Pickup
4C	\$100	Y	Custom Collector Pickup/Truck
40	\$100	Y	Non-Commercial Pickup Personalized
45	\$100	Y	Non-Commercial Pickup and Van (Under 10,000)
46	\$100	Y	Call Letter Pickup (No Equipment)
5A	\$100	Y	Coast Guard Passenger

5B	\$100	Y	Coast Guard Pickup
6A	\$100	Y	National Guard Passenger
6B	\$100	Y	National Guard Pickup
63	\$100	Y	Historic Passenger Vehicle - Normal Use
64	\$100	Y	Historic Truck or Cargo Van - Normal Use
65	\$60	Y	Historic Motorcycle - Normal Use
7A	\$100	Y	Purple Heart Passenger
7B	\$100	Y	Purple Heart Pickup

Not included in vehicle counts			
28	\$88	N	Dealer Motorcycle (1st Set)
29	\$50	N	Dealer Motorcycle (2nd Set)
17	\$88	N	Dealer Plate (1st Set)
19	\$50	N	Dealer Plate (2nd & Subsequent Sets)
2P	\$10	N	Exempt Motorcycle (Charitable)
3P	\$10	N	Exempt Non-Commercial Trailer (Charitable)
1P	\$10	N	Exempt Passenger (Charitable)
4P	\$10	N	Exempt Pickup/Truck (Charitable)
61	\$68	N	Farm Plates
2G	\$10	N	Government Exempt Motorcycle
1G	\$10	N	Government Exempt Passenger
4G	\$10	N	Government Exempt Pickup/Truck
1M	\$10	N	Government Personalized Passenger
4M	\$10	N	Government Personalized Pickup
38	\$88	N	Transporter (1st Set) (a type of Dealer plate)
39	\$50	N	Transporter (2nd & Subsequent Sets)

Information provided by Division of Motor Vehicles

MVRT Collections by Community (HB19 Scenario)

Projected MVRT for vehicles 8 model years or older

Community	2014	2015	2016	2017	2018	2019
Anchorage	\$5,987,310	\$6,818,910	(\$5,155,710)	(\$5,987,310)	(\$5,987,310)	(\$6,818,910)
Bethel	\$21,960	\$23,400	(\$20,520)	(\$21,960)	(\$21,960)	(\$23,400)
Bristol Bay	\$527,940	\$54,880	(\$525,840)	(\$52,780)	(\$527,940)	(\$54,880)
Cordova	\$17,296	\$18,336	(\$16,272)	(\$17,312)	(\$17,296)	(\$18,336)
Dillingham	\$12,592	\$13,312	(\$11,872)	(\$12,592)	(\$12,592)	(\$13,312)
Juneau	\$406,428	\$449,988	(\$362,868)	(\$406,428)	(\$406,428)	(\$449,988)
Kenai	\$754,440	\$813,870	(\$695,040)	(\$754,470)	(\$754,440)	(\$813,870)
Ketchikan	\$75,402	\$81,882	(\$68,922)	(\$75,402)	(\$75,402)	(\$81,882)
Kodiak	\$120,690	\$132,840	(\$108,540)	(\$120,690)	(\$120,690)	(\$132,840)
Mat-Su	\$2,643,480	\$2,889,180	(\$2,397,780)	(2,643,480)	(\$2,643,480)	(\$2,889,180)
Nenana	\$6,000	\$6,400	(\$5,616)	(\$6,016)	(\$6,000)	(\$6,400)
Nome	\$11,856	\$12,768	(\$10,944)	(\$11,856)	(\$11,856)	(\$12,768)
Petersburg	\$18,096	\$19,232	(\$16,976)	(\$18,112)	(\$18,096)	(\$19,232)
Sitka	\$41,824	\$44,720	(\$38,928)	(\$41,824)	(\$41,824)	(\$44,720)
Unalaska	\$93,728	\$97,788	(\$89,668)	(\$93,728)	(\$93,728)	(\$97,788)
Whittier	\$2,352	\$2,496	(\$2,224)	(\$2,368)	(\$2,352)	(\$2,496)

*Based on DMV Estimates

*Projections reflect MVRT collections for vehicles 8 model years and older and do not reflect the 8% fee retained by DMV.

*Other Assumptions:

Assume 90% of vehicles owners will choose permanent registration.

Vehicle counts are divided evenly between the 1st year and 2nd year they become eligible for permanent registration, because vehicles are registered on a biennial basis.

DMV history suggests that 20% of vehicles in the 8th year will not register in the 10th year; 20% of vehicles in the 10th year will not register in the 12th year.

Assume all communities adopt the maximum MVRT for permanent registration beginning in 2015.

Non-commercial trailers not included

Prepared by Alaska Municipal League

Sponsored by: Mayor DeVilbiss
Adopted: 02/19/13

**MATANUSKA-SUSITNA BOROUGH
RESOLUTION SERIAL NO. 13-035**

A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY IN SUPPORT OF HOUSE BILL 19, TO OFFER A PERMANENT VEHICLE REGISTRATION AND TAX RELIEF ON VEHICLES AT LEAST 8 YEARS OLD.

WHEREAS, House Bill 19 proposes allowing municipalities and boroughs to offer the permanent registration for vehicles and trailers that are more than eight years old; and

WHEREAS, the one-time fee would cost \$25 in addition to the regular biennial registration fee the local government charges; and

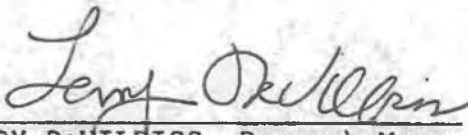
WHEREAS, the passage of House Bill 19 would establish a new type of registration available through the Division of Motor Vehicles, allowing for the permanent registration of personal-use motor vehicles older than eight years old and non-commercial trailers; and

WHEREAS, permanent registration will result in a cost savings for borough residents; and

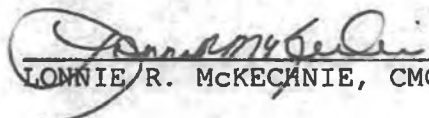
WHEREAS, this change will make the DMV re-registration process more user-friendly to the owners of qualifying vehicles and trailers, while lightening the work load for DMV by reducing the number of registrations processed.

NOW, THEREFORE, BE IT RESOLVED, that the Matanuska-Susitna Borough Assembly supports the adoption of House Bill 19, and offers a permanent vehicle registration and tax relief for vehicles at least 8 years old.

ADOPTED by the Matanuska-Susitna Borough Assembly this 19 day of February, 2013.


LARRY DeVILBISS, Borough Mayor

ATTEST:


LONNIE R. McKECHNIE, CMC, Borough Clerk
(SEAL)

YES: Arvin, Colligan, Salmon, and Colver

NO: Keogh, Woods, and Halter

Darrell Breese

From: Dale Hooser <daleh@churchak.org>
Sent: Thursday, February 07, 2013 9:28 PM
To: Hansen, Kenneth C
Cc: Rep. Lynn Gattis; Rep. Peggy Wilson; Rep. Bill Stoltze; Rep. Shelley Hughes; Sen. Mike Dunleavy; Dale Hooser
Subject: Re: HB 19 Support AS IS

I concur with Mr Hansen's comments.
The fee for registration has become burdensome.
Lifetime registration makes sense. DMV is in need of modernization. Having state employees along with the overhead associated with that is unreasonable and a poor use of state funds. Kiosks and contracted services make much more sense and would save the state (read TAXPAYER) significant amounts of money. For me my vote is tied to decisions like this. My endorsement for a candidate is as well. I know that both Mr Hansen and myself influence many people each voting cycle which local legislators are truly conservative. It is support for bills like this, lifetime hunting licenses, etc that show where a representative stands. Thank you for taking the time to read and consider this request to support this bill.

respectfully
Dale Hooser

Sent from my iPhone

On Feb 7, 2013, at 10:18 AM, "Hansen, Kenneth C" <Ken.Hansen@gdit.com> wrote:

Respectful Greetings Dear Representatives. I Support HB19 As-Is and wish to express gratitude to Representative Stoltze, Keller, and Neuman for drafting this important bill. Please support this bill today. I was hopeful it would have passed last year. I am an IT professional and work for General Dynamics IT. I do Enterprise support for DoD and Commercial sites, and when I get home the last thing I wish to do is look at or work on a Computer. My Hobby and my now my Sons and Daughters Hobbies require Gas and Gun Powder. I am also a Valley commuter, which for me requires a primary commuter and a backup. I spend a large part of my income on our Hobbies, but the vehicle registration thing has long stuck in my craw as unnecessary. All of these Govt "fees" and "Taxes" are adding up to and taking away from my pursuit of Life, Liberty and the pursuit of Happiness (originally written to read "possessions"). 2 year Registration is an unnecessary government burden and this bill is a powerful Win for this legislature as it is a first step in revamping an archaic Department and policy. I am not alone, I am many Motor Head friends. We use trailers to haul our Sleds, Boats, ATV, off road vehicles. We buy parts, service, gas, food, and lodging. We build memories with our Families, which are growing. Bills like this will help give Alaska the edge to keep our Kids in State and allow us to enjoy what we like. Motor Heads, I believe, are Independent and responsible. They know how to keep vehicles and

recreation vehicles running and that mentality applies thought their lives. My hobbies are getting very expensive just to insure, so reducing the Registration requirement is a Big Win on your part. I will watch how bill passes. It's a harbinger of things to come I hope.

Respectfully, Ken Hansen

907.242.4526

3325 Sparrow Ct; Palmer, AK 99645

I have multiple Snowmobiles, trailers, a 22' Woolridge Jet Boat, Camper, Two Crew Cab truck (1986 F350 / 2005 GMC), Off Road street legal 83 Jeep, 72 Duster, 2006 Magnum, 2004 VW golf, 1994 Surbuban.

I would like to see more Privatization of DMV. I believe Auto Dealerships should be able to issue Plates and registration on the spot. We should look at providing Computer access to Auto Dealers, Super Markets, such as Freds, Safeway and expand DMV Express. Two of my kids received their road drivers test via Manny's driving. DMV is an expensive archaic department that needs to be modernized.

28th Legislature(2013-2014)

Bill Text 28th Legislature

Basis
Navigation

Bills

- o Statistics
- o Actions by Date
- o Awaiting Action
- o Governor's Vetoes
- o Passed Legislation
- o Bills in Committee

Darrell Breese

From: housemajority_email@housemajority.org
Sent: Thursday, February 07, 2013 11:00 AM
To: Rep. Bill Stoltze
Subject: Email to Rep. Stoltze

+-----+
DO NOT REPLY DIRECTLY TO THIS EMAIL: your reply will go to enews@housemajority.org To correspond with the author Hit 'Reply' or 'Forward'.
Then change the TO: address to frankmuncy@gci.net If suspected Spam please forward to: support@housemajority.org
+-----+

From: frankmuncy@gci.net

I am in support of HB19 to be heard in committee today. When the bill is before you for a vote, I urge you to support passage.

~ Frank A. Muncy
Zip Code: 99645
Voter ID: Lazy Mt.

+-----+
DO NOT REPLY DIRECTLY TO THIS EMAIL: your reply will go to enews@housemajority.org To correspond with the author Hit 'Reply' or 'Forward'.
Then change the TO: address to frankmuncy@gci.net If suspected Spam please forward to: support@housemajority.org
+-----+

Darrell Breese

From: Hansen, Kenneth C <Ken.Hansen@gdit.com>
Sent: Thursday, February 07, 2013 10:18 AM
To: Rep. Lynn Gattis; Rep. Peggy Wilson; Rep. Bill Stoltze; Rep. Shelley Hughes
Cc: Sen. Mike Dunleavy; Dale Hooser
Subject: HB 19 Support AS IS

Importance: High

Respectful Greetings Dear Representatives. I Support HB19 As-Is and wish to express gratitude to Representative Stoltze, Keller, and Neuman for drafting this important bill. Please support this bill today. I was hopeful it would have passed last year. I am an IT professional and work for General Dynamics IT. I do Enterprise support for DoD and Commercial sites, and when I get home the last thing I wish to do is look at or work on a Computer. My Hobby and my now my Sons and Daughters Hobbies require Gas and Gun Powder. I am also a Valley commuter, which for me requires a primary commuter and a backup. I spend a large part of my income on our Hobbes, but the vehicle registration thing has long stuck in my craw as unnecessary. All of these Govt "fees" and "Taxes" are adding up to and taking away from my pursuit of Life, Liberty and the pursuit of Happiness (originally written to read "possessions"). 2 year Registration is an unnecessary government burden and this bill is a powerful Win for this legislature as it is a first step in revamping an archaic Department and policy. I am not alone, I am many Motor Head friends. We use trailers to haul our Sleds, Boats, ATV, off road vehicles. We buy parts, service, gas, food, and lodging. We build memories with our Families, which are growing. Bills like this will help give Alaska the edge to keep our Kids in State and allow us to enjoy what we like. Motor Heads, I believe, are Independent and responsible. They know how to keep vehicles and recreation vehicles running and that mentality applies thought their lives. My hobbies are getting very expensive just to insure, so reducing the Registration requirement is a Big Win on your part. I will watch how bill passes. It's a harbinger of things to come I hope.

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28th Legislature(2013-2014)

Bill Text 28th Legislature

Darrell Breese

From: ROBERT J. BARBER <unabarber@gci.net>
Sent: Monday, March 18, 2013 9:21 PM
To: Rep. Bill Stoltze; Rep. Wes Keller; Rep. Mark Neuman; Rep. Lynn Gattis; Rep. Shelley Hughes
Subject: CS FOR HOUSE BILL NO. 19(TRA) / AS 28.10.108 (I)

HONORABLE REPRESENTATIVES -

I AM WRITING TO EXPRESS MY SUPPORT FOR YOUR EFFORTS TO ENACT LEGISLATION FOR PERMANENT MOTOR VEHICLE REGISTRATION AND TO INQUIRE IF YOU HAVE CONSIDERED THE EFFECT THAT CS FOR HOUSE BILL NO. 19(TRA) MIGHT HAVE ON THE LIMITED PERMANENT VEHICLE REGISTRATION REQUIREMENT I BELIEVE ALREADY IS PROVIDED BY THE EXISTING STATUTE AS 28.10.108 (I).

AS YOU ARE NO DOUBT AWARE AS 28.10.108 (I) PROVIDES:

(I) Notwithstanding the other provisions of this section, the following vehicles are not required to be registered biennially and shall be registered one time only:

(1) a vehicle qualifying for registration under AS 28.10.181 (d); or

(2) a vehicle owned by a person who is 65 years of age or older; this paragraph applies to only one vehicle owned by the person who is 65 years of age or older.

(EMPHASIS ADDED: BOLD AND UNDERLINE)

IT IS MY BELIEF THAT THIS STATUTE PROVIDES FOR A LIMITED PERMANENT VEHICLE REGISTRATION BECAUSE THESE VEHICLES ARE REQUIRED TO BE REGISTERED ONE TIME ONLY. I AM HOPEFUL THAT MY UNDERSTANDING OF THE STATUTE IS CORRECT; i.e., A LIMITED PERMANENT VEHICLE REGISTRATION IS PROVIDED BY THIS STATUTE; AND, THAT YOU WOULD AGREE WITH THAT UNDERSTANDING. ACCORDINGLY, I ASK, IF YOU HAVE NOT ALREADY DONE SO, TO CONSIDER THE EFFECT OF THE NEW LEGISLATION ON THIS EXISTING LIMITED PERMANENT VEHICLE REGISTRATION REQUIREMENT FOR VEHICLES OWNED BY THE DISABLED AND SENIORS.

I MUST DISCLOSE THAT WHEN I MADE AN INQUIRY AT THE ANCHORAGE DMV OFFICE AS TO WHY I AM REQUIRED BY THE DMV TO BIENNIALLY RE-REGISTER MY SENIOR EXEMPT VEHICLE WHEN THE STATUE CLEARLY STATES THAT THE VEHICLE SHALL BE REGISTERED ONE TIME ONLY; WELL, THE RESPONSE I RECEIVED AT THE DMV OFFICE WAS NOT ONE IN AGREEMENT WITH MY UNDERSTANDING. I HAVE FILED A COMPLAINT WITH THE STATE OF ALASKA OMBUDSMAN FOR REVIEW OF THE ISSUE I HAVE WITH THE DMV IN THIS REGARD.

THANK YOU FOR CONSIDERING MY REQUEST AND IN ANY CASE I HOPE YOU ARE SUCCESSFUL IN ENACTING CS FOR HOUSE BILL NO. 19(TRA).



217 Second Street, Suite 200 • Juneau, Alaska 99801

Tel (907) 586-1325 • Fax (907) 463-5480 • www.akml.org

February 13, 2013

The Honorable Peggy Wilson
House of Representatives
Alaska State Capitol Room 409
Juneau, Alaska 99801-1182

Re: HB 19 Permanent Motor Vehicle Registration/Trailers

Dear Representative Wilson:

AML has now received the updated data from the Division of Motor Vehicles on the 16 cities and boroughs which levy MVRTs.

Based on this information, AML must, unfortunately and regrettably, register its concern with HB 19, especially Section 9, and the potential impacts.

Attached is a spread sheet showing the financial impacts on all cities and boroughs. (Anchorage as an example could lose \$5.7M starting in 2016 with growing annual losses thereafter) All 16 cities and boroughs could experiences losses depending on the size of the community and the MVRT rate.

While the legislation might allow for local levy and collection of amounts in excess of \$100, it would require a local duplicative collection program. The current DMV collection and refund mechanism is cost effective and efficient.

Many communities use the MVRT revenues to fund important local programs such as junk car removal, street maintenance and repair and grants to cities within the borough for similar services. Loss of these funds or increased costs of levying and collecting them will diminish important and popular local government services and programs.

We have shared the info with AML membership who will decide individually what position to take on the legislation in light of locally funded programs and priorities.

Please note that Section 9 was added to HB 64 last year in House Finance so this is a new section from the earlier version passed out of House Transportation last year.

The effective date is also an issue. We would suggest delaying the effective date so as to allow municipalities sufficient time to comply with AS 28.10.431 which requires a one year notice to DMV to implement new rates.

Sincerely,

Kathie Wasserman
Executive Director