

**HB**

**260**

<TARGET><BILL>HB 260</BILL><SUBJECT>HB  
260</SUBJECT><COMM>HTRA28</COMM></TARGET>

28-LS1155\O  
Martin  
1/22/14

**CS FOR HOUSE BILL NO. 260( )**

**IN THE LEGISLATURE OF THE STATE OF ALASKA  
TWENTY-EIGHTH LEGISLATURE - SECOND SESSION**

**BY**

**Offered:  
Referred:**

**Sponsor(s): REPRESENTATIVES ISAACSON AND KELLER**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to transportation of commercial motor vehicles."**

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

3

4 **\* Section 1. AS 19.10 is amended by adding a new section to read:**

5 **Sec. 19.10.345. Transportation of commercial motor vehicles by a motor**  
6 **vehicle dealer. (a) When transporting a commercial motor vehicle, other than a**  
7 **vehicle designed to transport more than 15 passengers including the driver, that has a**  
8 **gross vehicle weight rating of up to 19,501 pounds from the point of assembly of the**  
9 **vehicle in this state to a dealership in this state, the motor vehicle dealer shall ensure**  
10 **that the commercial motor vehicle has dealer registration plates under**  
11 **AS 28.10.181(j), proof of registration, and proof of insurance as required in**  
12 **AS 19.10.300. The commercial motor vehicle does not have to be inspected before**  
13 **transport to the dealership, and the motor vehicle dealer does not have to maintain a**  
14 **record of inspection. The commercial motor vehicle must have all required safety**  
15 **equipment; however, the fire extinguishers do not have to be mounted on the**

*DOT  
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commercial motor vehicle.

(b) A driver transporting a commercial motor vehicle for a motor vehicle dealer under (a) of this section must be 18 years of age or older but is not, for purposes of transporting that vehicle, required to

*operating?*

- (1) hold a commercial driver's license;
- (2) complete the physical examination required under AS 28.33.100(a) for issuance of a commercial driver's license; or
- (3) maintain a driver's record of duty status logbook.

(c) In this section,

(1) "dealership" means the business entity owned by the motor vehicle dealer;

(2) "motor vehicle dealer" has the meaning given in AS 08.66.350.

*up to 26,000 lb's —  
inspection <sup>Req</sup> 396.17 weigh station inspection*

*Ohio → Anchorage → Fairbanks      intrastate  
Upfetter*

*Ohio → Seattle → Anchorage      interstate  
Upfetter*

*contract — when ownership transfers  
so ownership happens in AK not  
out of state*

*mfg owns vehicle until person purchases the bill.*

**HOUSE BILL NO. 260**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-EIGHTH LEGISLATURE - SECOND SESSION

BY REPRESENTATIVE ISAACSON

**Introduced: 1/17/14**

**Referred: Prefiled**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to transportation of commercial motor vehicles."**

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

3 **\* Section 1.** AS 19.10 is amended by adding a new section to read:

4 **Sec. 19.10.345. Transportation of commercial motor vehicles by a motor**  
5 **vehicle dealer.** (a) When transporting a commercial motor vehicle that has a gross  
6 vehicle weight rating of up to 19,501 pounds from the point of assembly of the vehicle  
7 in this state to a dealership in this state, the motor vehicle dealer shall ensure that the  
8 commercial motor vehicle has dealer registration plates under AS 28.10.181(j), proof  
9 of registration, and proof of insurance as required in AS 19.10.300. The commercial  
10 motor vehicle does not have to be inspected before transport to the dealership, and the  
11 motor vehicle dealer does not have to maintain a record of inspection. The commercial  
12 motor vehicle must have all required safety equipment; however, the fire extinguishers  
13 do not have to be mounted on the commercial motor vehicle.

14 (b) A driver transporting a commercial motor vehicle for a motor vehicle  
15 dealer under (a) of this section is not, for purposes of transporting that vehicle,

1 required to

2 (1) hold a commercial driver's license;

3 (2) complete the physical examination required under AS 28.33.100(a)

4 for issuance of a commercial driver's license; or

5 (3) maintain a driver's record of duty status logbook.

6 (c) In this section,

7 (1) "dealership" means the business entity owned by the motor vehicle

8 dealer;

9 (2) "motor vehicle dealer" has the meaning given in AS 08.66.350.

# Alaska State Legislature House of Representatives

Rep.Doug.Isaacson@akleg.gov

Representative Doug Isaacson



*Session*  
State Capitol  
Juneau, AK 99801  
Phone - (907) 465.4527

erim  
301 Santa Claus Lane  
North Pole, AK 99705

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## SPONSOR STATEMENT FOR HB 260

HB 260 helps support industry in Alaska.

Commercial trucks are brought into Alaska by dealerships from assembly plants and then "upfitted" by three or four Anchorage-based manufacturers that make alterations to complete the vehicle. An upfitter may add a flat bed or a box van for instance to a chassis. Once the upfitting has been done, the vehicle becomes too large to put on a normal vehicle transporter, necessitating a driver fly to Anchorage and transport it back to the dealership to ultimately be sold. These dealerships are typically in Kenai, Prudhoe Bay and Fairbanks.

Current law requires drivers transporting dealer owned vehicles to possess a Commercial Driver's License (CDL) even though the trucks are not being used to transport commercial or interstate payloads. The specific rules and regulations of a CDL entail the maintenance of a logbook and a physical exam.

Additionally, the vehicle is required to have a US DOT decal with gross vehicle weight and owner, and to have permanently affixed safety equipment. However, these permanent modifications are meant to be made after the point of sale.

Freeing up the dealership to use employees as drivers lowers the ultimate cost to the owners allowing them to operate more competitively.

Staff contact: Brenda Hewitt (907) 465-2847

# Fiscal Note

State of Alaska  
2014 Legislative Session

Bill Version: HB 260  
Fiscal Note Number: \_\_\_\_\_  
( ) Publish Date: \_\_\_\_\_

Identifier: HB260-DOT-MSCVE-1-31-14  
Title: COMMERCIAL MOTOR VEHICLE EXCEPTION  
Sponsor: ISAACSON, KELLER  
Requester: House Transportation Committee

Department: Department of Transportation and Public Facilities  
Appropriation: Administration and Support  
Allocation: Measurement Standards & Commercial Vehicle Enforcement  
OMB Component Number: 2332

**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 2016	FY 2017	FY 2018	FY 2019	FY 2020
<b>OPERATING EXPENDITURES</b>	<b>FY 2015</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Fund Source (Operating Only)**

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Positions**

Full-time							
Part-time							
Temporary							

**Change in Revenues**

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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? No  
If yes, by what date are the regulations to be adopted, amended or repealed?

**Why this fiscal note differs from previous version:**

Initial version.

Prepared By: Connie McKenzie, Legislative Liaison  
Division: Office of the Commissioner  
Approved By: Mary Siroky, Director  
Agency: Administrative Services

Phone: (907)465-4772  
Date: 01/31/2014 01:00 PM  
Date: 01/31/14

FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2014 LEGISLATIVE SESSION

BILL NO. HB260

**Analysis**

This bill will provide an exception for intrastate movement of dealer vehicles up to 19,501 pounds to be transported within the state between the point of assembly to the dealership without inspection.

There is no fiscal impact to the department.

# Alaska State Legislature House of Representatives

Rep.Doug.Isaacson@akleg.gov

Representative Doug Isaacson



*Interim*

301 Santa Claus Lane  
North Pole, AK 99705

*Session*

State Capitol  
Juneau, AK 99801  
Phone - (907) 465.4427  
Fax - (907) 465.2197

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January 24, 2014

Sectional analysis on CSHB260

Page 1 lines 6- 7 remove 16 passenger vans from this exemption as these vehicles do not fall under intrastate jurisdiction.

Page 2 line 3 adds the additional restriction of requiring the driver to be 18 or older

1/27/2014

Re: HB 260

Dear Rep. Isaacson,

HB 260 is needed to help both the dealers and customers on upfront costs to have units moved to the dealerships and on to drop points in Alaska for customers to pick them up. To clear up this regulation on the need for a CDL and having to follow all of the DOT regulations with units in the 10,000 to 14,000 GVW range. At this point they are not being used as a commercial vehicle.

Randy Wandler

Equipment Manager

Conam Construction Co.

Ford Warranty Dealer

Prudhoe Bay, AK.

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