

ALASKA LEGISLATURE

1471

HOUSE and SENATE FINANCE COMMITTEE FILES, 1995-1996

Size Limits:

Total length: 50 ft.
Trailer length: 35 ft.
Width: 8 ft.; 8 ft. 6 in. for recreational vehicles.
Height: 14 ft. Trailers exceeding size limits may be operated under permit issued by the Highway Division.

Special Provisions: Riding in towed trailer prohibited, except in fifth-wheel haulers with safety glazing in windows, unobstructed exit that can be opened from inside or outside, and with driver-passenger communication. Riding in pickup camper permitted. Camping in rest areas prohibited. Maximum of one boat or general utility trailer may be towed behind passenger or pleasure vehicles. Total length of both not to exceed 50 ft.

MOTORCYCLE INFORMATION

Required Equipment: Helmet required for all operators and passengers; rear-view mirror, brakes, horn, fenders, muffler, tires approved for highway use, turn signals, license plate and registration and required.

Driver's License: Motorcycle endorsement added to regular operator's license. Fee, \$30, Renewal \$7.

Applicants 16-18 years old must complete a motorcycle rider education course before they may obtain a motorcycle endorsement.

License Plates: Fee, \$9 plus one-time plate fee of \$1.50; valid for two years, expiring on day and month issued.

Title: Required. Fee, \$10.

Daytime Headlight: While operating a motorcycle during daylight hours, the use of a headlight is required.

Special Driving Rules: Lights required to be on at all times; riding between lanes prohibited. Operation on limited access highways permitted.

MOPEDS

Registration Plates: Fee, \$9 plus one-time plate fee of \$1.50; valid for two years, expiring on day and month issued.

Driver's License: Driver's license. Fee, \$26.25.

Minimum Age: 16.

Required Equipment: Same as motorcycle, except turn signal lights are not required equipment. Passengers not allowed.

Title: Required. Fee, \$10.

MOTORIST LIABILITY LAWS

Financial Responsibility Law: Has future-proof law for uninsured accidents. Minimum financial responsibility limits: \$25,000/50,000/10,000.

State has Nonresident Service of Process Law and Guest Suit Law. Mandatory one year license suspension for involvement in an uninsured accident.

State has "add-on," no-fault insurance law. Sale and purchase mandatory. Benefits: Medical \$10,000; 70% of wage loss up to \$1,250 monthly (maximum 52 weeks); \$30 per day loss of services (14-day retroactive waiting period and maximum 52 weeks). General damages: no limit.

Owners must certify liability insurance when renewing registration plates.

ACCIDENT REPORTS

Accidents involving injury, death or property damage in excess of \$400 must be reported to chief of police of the city or sheriff of the county in which accident occurred or Motor Vehicles Division within 72 hours.

BAIL BOND

Mandatory recognition of AAA arrest bond certificates up to \$200, with specified exceptions.

CHEMICAL TEST LAW

Has law with implied consent provision. Breath, blood or urine tests authorized. Presumptive level .08%; commercial motor vehicle operators .04%; under 21, anything over .00%. Driving (riding) a moped, bicycle, or horse while under the influence of alcohol is illegal and a punishable offense. Administrative License Suspension law.

Drivers under 18 years, presumptive level - anything over .00%.

MOTOR VEHICLE INSPECTIONS

Safety: State police may conduct roadside inspections. Biennial emissions inspection in the Portland metro area and Jackson and Multnomah counties.

Emission:

NONRESIDENT VIOLATOR COMPACT:

State is not a member.

HIGHWAY PATROL/STATE POLICE

Office of Superintendent of State Police, 107 Public Service Bldg., Salem, OR 97310; Commanding Officer, Reginald B. Madsen, Superintendent of State Police. (503) 378-3720.

CALIFORNIA
1/1 Requirements

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CALIFORNIA

MOPEDS

Registration: Required before operation on highway unless a retail purchase which must be registered within 5 days. Fee, \$5. License plate issued. No title issued. No renewal fee required. Social Security number is required. The DMV is authorized to refuse to issue or renew the registration of a driver's license upon a finding that there are overdue or unpaid fines or forfeitures.

Driver's License: Class M2 license or M2 endorsement required. Fee \$5. After 1-1-94 license will be required. Social security number is required. The DMV is authorized to refuse to issue or renew the registration of a driver's license upon finding that there are overdue or unpaid fines or forfeitures.

Minimum Age: 16 with completion of driver training.

Safety Equipment Required: Headlamp, tail lamp, stop lamp, side and rear reflectors, brakes, mirror, horn and muffler. Helmets are required.

MOTORIST LIABILITY LAWS

Financial Responsibility Law: Financial responsibility required of every driver and owner of a motor vehicle at all times. Driving without such proof punishable in case of injury or property damage accident in excess of \$500 by suspension of driving privilege. Minimum financial responsibility limits: \$30,000/15,000/5,000.

State has nonresident service of Process Law. Guest may sue driver.

ACCIDENT REPORTS

Accidents involving death or personal injury must be reported to Highway Patrol or local police within 24 hours. Accidents resulting in death, personal injury or property damage in excess of \$500 or more must be reported, on special form SR1, to Department of Motor Vehicles, Financial Responsibility Office, Sacramento, within 10 days.

BAIL BOND

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CHEMICAL TEST LAW

Has law with implied consent provision, and unlawful limits. Blood, breath, urine tests authorized. Presumptive level .08%; minors .05%. Driving (riding) a moped or bicycle while under the influence of alcohol is illegal and a punishable offense. Administrative License Suspension law.

MOTOR VEHICLE INSPECTIONS

Safety: Not required.

Emission: Statewide on original transaction, upon transfer in most counties for most vehicles.

Biennial emission inspection includes the following counties: Alameda, Butte, Colusa, Contra Costa, El Dorado, Fresno, Glenn, Kern, Kings, Los Angeles, Madera, Marin, Merced, Monterey, Napa, Nevada, Orange, Placer, Riverside, Sacramento, San Bernardino, San Diego, San Francisco, San Joaquin, San Luis Obispo, San Mateo, Santa Barbara, Santa Clara, Santa Cruz, Shasta, Solano, Sonoma, Stanislaus, Sutter, Tehama, Tulare, Ventura, Yolo, and Yuba.

NONRESIDENT VIOLATOR COMPACT

State is not a member.

HIGHWAY PATROL/STATE POLICE

Headquarters, 2555 First Ave. Sacramento, CA 95818. Commissioner, M.J. Hannigan. (916) 657-7152. (FAX) (916) 657-7324. Mailing address: P.O. Box 942898, Sacramento, CA 94298-0001.

COLORADO

John Tipton, Executive Director, Department of Revenue, State Capitol Annex, Denver, CO 80261.

Dee E. Hartman, Director, Motor Vehicle Division, 140 W. Sixth Ave., Denver, CO 80204. (303) 623-9463.

MOTOR VEHICLE REGISTRATION

Proof of Vehicle Ownership: Required. Application for Certificate of Title must be secured through the clerk and recorder of the county in which the applicant resides, except in Denver, where title is issued through Denver Motor Vehicle Department.

Upon transfer of ownership, Certificate of Title must be endorsed by seller and delivered to buyer for surrender to the county clerk in county of buyer's residence within 45 days. Thereupon issuance of new Certificate of Title to buyer becomes evidence of his ownership. Fee for issuance of Certificate of Title \$5.50; duplicate certificate, \$3.50.

Registration: Staggered. Upon purchase of new car, motorist has 45 days to apply to local county clerk for registration; new resident must apply within 45 days. Period of grace 30 days.

Tempest in a Tailpipe

States got the EPA to back down on its enhanced auto emissions testing requirement. But they still must find ways to clean their air.

When you look outside on a summer day, you generally see clean air. Even when you look at the tailpipe of your car, you won't see much," says Dennis Keschl of the Maine Department of Environmental Protection. "It's hard to sell air toxicity."

Keschl speaks from experience. Last July, Maine became the first state on the East Coast to implement enhanced auto inspections mandated by the U.S. Environmental Protection Agency. The high-tech, centralized emissions control program was designed to replace traditional tailpipe tests conducted at gas stations and satisfy requirements of the Clean Air Act. But things didn't go according to plan. The costly program proved to be overwhelmingly unpopular with the public, as well as politically explosive, and after only eight weeks, the operation was suspended.

Indeed, this past fall about a dozen Northeastern and Western states balked at the EPA-prescribed approach to reducing smog levels in "non-attainment" areas by 15 percent by 1996, even though they risked losing millions of dollars in federal highway funds. Then in December, the federal agency backed down and announced it would allow states greater leeway in designing their overall clean air strategy. As a result, it is possible that Maine and others will scrap any plans to use the new inspection system.

After passage of the Clean Air Act amendments in 1990, EPA regulators decided that states must utilize the latest in car inspection technology: a computerized exhaust test known as the I/M 240. While traditional testing systems monitor cars as they idle, the new "treadmill" test is programmed to mimic various driving conditions in order to more accurately measure how much cars pollute.

The test involves placing the car on a dynamometer, as the treadmill is known, and revving it up to simulate highway

BY ALEX DANIELS

speeds. In addition to testing for nitrogen-based pollutants, something that the old tailpipe test couldn't do, the new method also monitors whether fuel vapor is escaping into the atmosphere.

The EPA plan was for especially polluted states to administer the test every two years in centralized locations. If cars flunked the test, their owners would have to pay for up to \$450 in repairs before

have to make several trips back and forth between the test centers and repair shops, so-called "ping-ponging."

The first seeds of rebellion were sown in California, which persuaded the EPA last March to allow it to operate a hybrid program of testing at gas stations and centralized facilities. Northeastern officials have long looked to the Golden State as a barometer to forecast problems that might arise in their own efforts to clean the air. And they interpreted what



The I/M 240, a sophisticated emissions test, has proved to be highly unpopular with the public, and states are fighting hard to stay off the treadmill.

they could be granted a waiver of the test requirements. EPA estimated that repair bills would not exceed \$130 for the average car that failed inspection.

But organizations representing motorists and service station owners (who currently perform tailpipe tests in a number of states) criticized the expense associated with the new treadmill tests. They also argued that the centralized test facilities were inconvenient: Drivers would

happened there to mean that EPA was open to negotiations.

So when New Jersey ran a pilot program using the treadmill test last fall, state officials didn't hesitate to voice their dissatisfaction, asserting that motorists were having to wait in line for up to three hours because of system failure. Bob Thompson, a spokesman for the New Jersey Department of Motor Vehicle Services, says that the I/M 240 was inoperable 60 percent of

the time. It's a fragile machine for every-day use," he maintains.

Drivers in Maine complained that the test operators were rude and often did not know how to operate the equipment properly. Although EPA officials acknowledge that there were some initial problems with the test, John Cabaniss, director of external affairs at the EPA's Office of Mobile Sources, argues that the public backlash that followed the implementation of enhanced testing in Maine was not justified from a technical standpoint. "Early on, they had a couple of snafus. That happens," he says. "I've been in a shopping mall and had the lights go out. It doesn't mean we should ban shopping malls."

But once it was revealed that then-Governor John R. McKernan Jr. had arranged for a wood paneling plant to utilize excess pollution credits generated by the increased effectiveness of inspections, the dynamometer turned into political dynamite. Decrying the notion that industry could belch out more toxins at the expense of individual car owners, a grassroots campaign, led by a group called Citizens for Sensible Emissions Laws, gathered 53,000 signatures on a petition to repeal the state's stringent testing laws. If the legislature fails to kill the program, the debate will spill out of the statehouse next November in the form of a statewide referendum.

Pennsylvania, too, has put its entire program on hold. Pressured by the American Automobile Association and service station owners, legislators voted last fall to suspend the start date for enhanced testing. When then-Governor Robert P. Casey vetoed the measure, he was promptly overridden by a comfortable margin. The state's new governor, Tom Ridge, campaigned on a platform that included abolishing the new system.

Since virtually all the affected states repudiated EPA's plan, New Jersey Assemblywoman Maureen Ozden thinks the threat of sanctions amounted to nothing more than a veil of smoke. "You can't sanction all of the Northeastern states," she says. "There would be a political uprising."

EPA Administrator Carol M. Browner announced at her December meeting with several Northeastern governors that although the aim of reducing pollution by 15 percent remains intact along with the threat of sanctions for states that cannot meet this goal, EPA would grant states

States are re-examining the options available to them and questioning whether drivers should bear most of the burden of cleaning the air.

flexibility in how they want to achieve this end.

While enhanced inspections remain an option, policy makers could be more lenient on car drivers as long as it could be demonstrated that pollution could be reduced by alternate means. Delaware's natural resources secretary, Christophe A.G. Tulou, believes that meeting the Clean Air Act's requirements will still be a challenge, but the recent shift by the EPA will allow states to "look at the whole menu." States are now re-examining the choices available to them and questioning whether car drivers should bear most of the burden of cleaning the air.

The problem is that when it comes to air pollution, cars are the single largest contributor to the mess. It is estimated that more than half of all ozone production is attributable to auto emissions. Working against the drive to deep-six the program are a host of environmental administrators, motor vehicle officials and health lobbyists. They point out that setting their cross hairs on cars is about 10 times more cost-effective for states than focusing on stationary sources.

Still, the general public has a hard time understanding the emphasis placed on car testing, particularly because they know that most newer cars have computerized systems that reduce emissions. While proponents of the treadmill test explain that the test computer is able to interact with the car system to accurately diagnose breakdowns, Douglas L. Lawson, a research professor at the Desert Research Institute, stresses that people who already paid for smog-reducing technology when they purchased a car shouldn't be subject to enhanced testing. "It's like giving everyone an aspirin because one person has a headache," he says.

Maryland went ahead and began using the treadmill system in January. However, in what motor vehicle Administrator W. Marshall Rickert called a "customer-friendly" action, the state decided

at the last minute to exempt vehicles manufactured before 1984 and after 1994—nearly half of all automobiles in the state. One reason the enhanced test has not generated much opposition there and in Connecticut, which is scheduled to begin using it in April, is that both have been operating centralized inspection centers for standard tailpipe tests. Drivers were already accustomed to the idea of traveling 20 miles to have their cars' emissions checked.

Other vehicle-related options include targeting truck and bus fleets, conducting random roadside tests and reducing the minimum amount spent on repairs before test waivers are granted. Which methods will ultimately be used in each state depends upon a range of political, budgetary and technical factors. The difficulty of choosing a program is compounded by the fact that environmental groups and contracted providers of test services in some states have threatened lawsuits if the LM 240 is not utilized.

Many officials agree, however, that making a decision now could be pointless, due to a belief that the mid-term elections reflect a new anti-government political reality. Although the EPA has reaffirmed its position that the pollution reductions spelled out in the Clean Air Act must be met, there is a growing feeling that the political tide that ushered in the Clean Air amendments has ebbed. And there are rumblings that the 104th Congress might review the Act itself and gut it of many key environmental regulations.

Fearing that the entire federal clean air program has been reopened for debate, champions of the enhanced test are focusing their efforts less on its implementation than on convincing policy makers of its very necessity. Citing their belief that enhanced programs will appeal to a public genuinely concerned about clean air, proponents hope that a reconsideration of the Clean Air Act will direct the public to focus on its successes. "I do not believe that the November 5 election was a mandate for rolling back environmental programs," says Glen Besa of the Maryland chapter of the American Lung Association. "Politicians who believe that do so at their own peril."

While the debate continues, however, it appears that the movement toward implementing enhanced inspection programs will be left spinning its wheels. □

EPA Message Mixed on Clean Air Act Dates

The U.S. Environmental Protection Agency continues to send a mixed message to states struggling to comply with federal clean air laws.

Sanctions against California for failure to meet a Nov. 15 Clean Air Act deadline were on again then off again in January. Shortly after it threatened to withhold as much as \$800 million in federal highway funds, the agency relented and said it would not keep funds from the earthquake ravaged state. But unless California can work out a compromise on how it deals with certain

EPA automobile exhaust testing rules, its highway funds could be in jeopardy next year.

Thirty-eight states passed legislation last year to implement new federal requirements for automobile emission inspection and maintenance (I/M) programs to avoid such sanctions. However, many passed enabling legislation under protest, questioning the value of a new, expensive program of unknown effectiveness.

Believing the EPA sanctions were toothless, Louisiana legislators decided to stop

implementation of the enhanced I/M program in affected areas of their state. And Louisiana Senator Joseph Sevario is heading a coalition of states that will seek amendment of the EPA's rules on the program. The group is committed to cutting air pollution, but wants to concentrate on more reasonable and cost-effective methods to accomplish the goals of the Clean Air Act. An initial meeting last November included representatives from Louisiana, Delaware, Arizona, Colorado and California.



Illinois and Indiana were also threatened in January with loss of highway funds—EPA said it would hold back as much as \$700 million for Illinois and up to \$280 million for Indiana—but both states were expected to meet the requirements early this year.

Indiana could not fully fund the new I/M program last year, so did not pass the legislation. Illinois simply did not consider the issue before the Legislature adjourned for the year, but has since done so in the 1994 session.

The EPA has issued options for California, and presumably other states, to implement the I/M program. These options include exempting newer cars from the EPA-mandated program. Instead, newer cars could be tested in a less expensive program similar to the one California currently has in place. Another option would be to allow only current Smog Check (the current California test program) stations to be eligible for certification as repair stations. EPA has also recommended a buy-back program for current test equipment.

Inspect Schools and Day-Care Centers for Lead?

Though few states check schools and day-care centers for lead-based paint, bills introduced recently in Congress could require such inspections.

"The problem with this is that it diverts attention from the major problem area [homes]," notes Bob Schlag, associate chief of California's Childhood Lead Poisoning Prevention Program.

State legislation has focused on eliminating lead hazards in homes. Most of the 190 bills introduced in 1993 dealt with lead hazards in residences. New York and Vermont had bills requiring inspections of schools and child-care facilities for lead; New York's bill failed.

In most lead poisoning cases, state officials point out, children are exposed before they enter school.

Schlag admits that lead

hazards in schools and day-care centers have not been adequately studied and warrant evaluation and analysis. But, he adds, "Inspecting schools would cause unnecessary hysteria and greatly burden limited education budgets while providing only a minimal public health benefit."

A recent U.S. General Accounting Office (GAO) survey of 16 states and 57 school districts found that most have no laws or policies requiring schools or child-care facilities to be inspected for lead.

Minnesota and North Carolina, however, do conduct regular inspections in some child-care centers. And Illinois inspects for lead-contaminated soil, a major contributor to poisoning.

Of the school districts in the GAO survey, 50 tested

drinking water, which is required under federal law. Nine tested for lead-based paints, and three checked for lead-contaminated soil.

South Carolina, a state that does inspect such facilities, found 18 percent of the child-care centers and foster homes it tested did contain lead hazards.

In two Charleston church-based centers, more than 40 percent of the children had elevated lead levels in their blood, and three needed medical attention.

Such examples make it "worthwhile to examine these centers for lead hazards and clearly worthwhile to screen children in the centers," concludes Routt Reigert, professor of pediatrics, Medical University of South Carolina, and a supporter of school inspections.

Four years after its passage, the 1990 Clean Air Act is coming to crisis

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by Will Nixon

In the United States, the ill winds blow in many directions. From her house near the Maine coast, Lee Buffinton can watch a brown bank of summer smog, which migrates up the Atlantic seaboard every summer, wash inland from the ocean to ruin her day. With her scarred lungs, a legacy of childhood illnesses, she is a human pollution monitor able to tell when the ozone levels rise above her state's safety standard, as they do more than thirty days every summer. She must quit her gardening or tennis and take to a hammock with a cup of herbal



Lee Buffinton, an asthma sufferer, can watch the smog blow in from the ocean during summer days in Maine.

tea because any exercise would make her sick. "I can get a scratchy throat, congestion, a headache. That can work itself into coughing, wheezing, shortness of breath," she says. "Just hiking up the hill from my garden does it."

Gloria Inverso lives in "Rocky" courtyard near the Italian market and

Will Nixon is Associate Editor of E Magazine.

the famed Pat's Cheese Steak stand in South Philadelphia. She is the third generation on her block of look-alike brick row houses (which tourists often peer into, expecting to see the nineteenth century). But in 1989 the city rezoned her neighborhood, opening the way for the fifty-four auto repair and auto body shops she now counts within six square blocks. Inverso also faces dry cleaners, sign painting shops—all in all, a major pollution source divided into dozens of parts. Her ordeal began at the Labor Day block party in 1990, when she arrived late and

found that everyone had already taken their picnic food inside because the boys had come down with bloody noses from breathing air that smelled like bottles and bottles of nail polish remover. Since then, Inverso has had two dogs die. A neighbor's cat went crazy after three weeks of sitting in the windowsill. "Birds have dropped dead like a Raid commercial with their feet in the air," she says. "Everybody sounds like they have a cold 365 days a year." She loses her breath sometimes just walking up a few stairs, and she has shed thirty to forty pounds. "I have mucus in my chest and sinus drips. I can't eat. It's a great weight loss program for anyone who doesn't want to spend money."

To live in Altgeld Gardens on

the south side of Chicago, a neighborhood ringed with chemical factories and fronted by a sewage treatment plant, Patricia Jackson of People for Community Recovery needs two basic pieces of asthma equipment: a steroid inhaler used twice a day and a medicated inhaler used five times a day. "If I didn't, I'd be gasping for breath every half hour," she says. Before she moved here, an inhaler would last her six months to a year; now she buys a new one every month. And she's not alone. "If someone sees you use an inhaler, they say, 'Oh you've got asthma too.' It's very common here," she adds. "Some people are confined to their homes with respiratory machines, and two died from asthma this winter. I was speaking on the phone with a woman in Denver, Colorado, who works at the National Jewish Center. As soon as she heard where I live, she said, 'You've got to get out of there.' I know, but it's not that easy."

In 1990, President Bush signed the Clean Air Act Amendments, a legal behemoth more than 700 pages long designed to solve countless problems like these. All told, this multifarious law aims to reduce toxic air emissions by over 70 percent; cut the sulfur dioxide emissions that cause acid rain by almost 50 percent; phase out chlorofluorocarbons and other ozone-depleting substances; and ensure that the vast majority of Americans live in areas with healthy air by the year 2000—no small task, since the Environ-

mental Protection Agency (EPA) estimates that at present, 140 million people live in counties prone to polluted air.

To accomplish all this, the Clean Air Act takes a decentralized approach to the mightily decentralized problem of air pollution. It deals with—just for starters—diesel buses, paint fumes, electric utilities, and highway planning; chemical plants, lawn mowers, carpooling, and dry cleaners; marine terminals, employee parking privileges, and the chemistry of gasoline. And, to fragment the process still further, some of these issues are in the hands of the EPA, some in the hands of the states.

Activists working to enforce the 1990 Act have had some notable success stories. There was the decision last February by the Ozone Transport Commission (which coordinates clean air efforts along the smogbound Atlantic seaboard) to petition EPA to impose California's strict new auto emissions standards on states from Virginia to

implement stages of the Act. States with serious ozone problems, for instance, must put together customized smog control plans by November of this year—but few seem ready to make this critical deadline, says Deborah Sheiman, an NRDC senior researcher. "What we are watching is the imminent collapse of one of the most important clean air programs on the books," she adds. And, in one of the 1990 Act's hottest political showdowns, California recently wriggled out of the EPA's specifications for an improved auto inspection program to catch the 20 percent of cars that are causing 60 percent of the pollution.

And, as if delays and compromises were not enough, there is mounting scientific evidence that



Gloria Inverso in front of one of fifty-four auto repair shops in her neighborhood.

Act to have EPA improve its ozone and particulate standards, but it will take years before the agency reaches a decision.

There are several reasons why clean air will not come easy. Industry has been well equipped to aid the bureaucratic weakening of the original vision of the law, bringing on a phalanx of attorneys and lobbyists to influence each new regulation as it comes up. The EPA's new rules on toxic emissions from dry cleaning operations, for example, are laxer than California's.

Meanwhile, the breathing public, even those who suffer greatly from air pollution, plays little part in the debate. Air pollution is hard to see and harder to understand. Hospitals have no "particulate wards" for the heart and lung patients put at risk by breathing diesel exhaust, and, as Carlos Martinez of the Labor/Community Strategy Center in Southern California puts it, "If people don't know what's killing them, they won't react."

Ozone smog is almost as bad. On the one hand, it is easy to confuse ground-level ozone smog with the stratospheric ozone layer: "I have literally had two people tell me that they heard there was an ozone alert, so they put extra sunscreen on their children," says Lee Buffinton. On the other, people affected by breathing ozone often do not know what hit them. Buffinton comments, "I was at a meeting one

"What we are watching is the imminent collapse of one of the most important clean air programs on the books."

Maine. There was EPA's decision to hold public hearings in "Cancer Alley," the mostly African-American region between Louisiana and Texas, in order to give citizens a chance to testify on its weak organic chemical plant rules. After hearing hours of anguished testimony from people who live near the plants, EPA toughened up some of the regulations.

Yet some environmentalists fear that, all in all, the 1990 Act faces the same fate as earlier clean air laws: good plans on paper that are resisted in practice. The EPA has fallen behind in conducting studies and issuing regulations. States keep missing their annual deadlines to

the EPA has set its "healthy" levels for the two most widespread pollutants, ozone smog and fine particles (or particulate matter), too high. Its limit for ozone is a one-hour concentration of 0.12 parts per million, but current tests find that people can suffer fatigue, congestion, and other ill effects from breathing ozone at 0.08 parts per million over the course of a day. Epidemiological studies in a number of cities, including six tracked by a Harvard team since 1974, have found a strong link between fine particulates and mortality—even at levels better than EPA's standard—with estimates running from 50,000 to 70,000 premature deaths a year. The American Lung Association has sued under the Clean Air

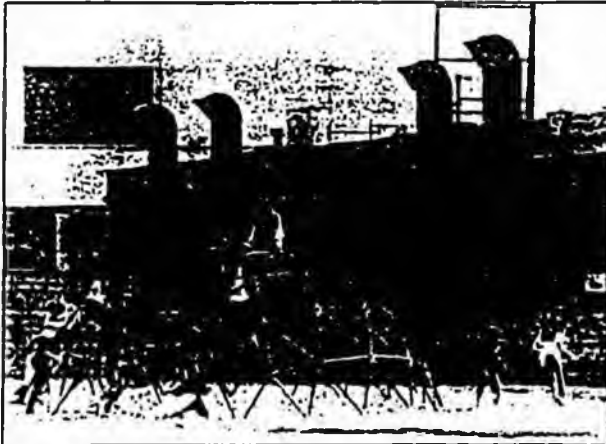
muggy summer night, and half of the people in the audience had raspy voices and coughs. Someone said, 'What is this pollen?' I said, 'I think it's the air pollution.' They looked at me like, 'What?'"

The Clean Air Act itself does not help. To the ordinary citizen, it is a Pandora's box of atmospheric pollution chemistry, abstruse policy concepts, and acronyms galore. Anyone wanting to join the fun

asthma, respectively, though stringent air quality regulations would also bring them relief. GHASP (Galveston Houston Alliance to Stop Pollution) has just a dozen members agitating for a tough state air plan, even though Houston has an ozone problem second only to that of Los Angeles. GHASP leader Brandt Mannchen comments that local conservation issues such as protecting Galveston Bay attract

control the pollution because we're still breathing it."

Indeed, one of the best-kept secrets of the Clean Air Act is that, when it is enforced, it works. Without it, we might be living by now in the "air noir" atmosphere of the movie "Batman" or of metropolises like Mexico City, where you can read your fate in the black smoke signals rising from the tailpipes. Since it was first passed in 1970, the



The EPA estimates that 140 million Americans live in counties prone to air pollution.

One of the best-kept secrets of the Clean Air Act is that, when enforced, it works.

more public support. And when one checks in with asthma support groups in Los Angeles—surely the most likely hotbeds of grassroots clean air activism in

Clean Air Act has dramatically cleaned up our skies by filtering our industrial economy, adding everything from catalytic converters on cars to smokestack scrubbers on coal-burning utilities. Between 1983 and 1992, airborne lead fell 89 percent as leaded gasoline was phased out. Carbon monoxide fell 34 percent, even as Americans drove 37 percent more miles. Ozone, a tricky one to average because it varies so much with hot and cool summers, declined about 10 percent.

Even the effects of the 1990 Amendments have already registered at the air monitors. In twenty-eight metropolitan areas with winter carbon monoxide problems, for instance, the EPA made gas stations switch to oxygenated gasoline that costs up to five cents a gallon extra but burns cleaner. In 1992, these areas saw their peak levels of carbon monoxide drop by 13 percent—virtually eliminating violations of the carbon monoxide standard.

And the Clean Air Act is having benefits in other areas, as well. It amounts to an industrial development policy for new pollution control equipment. The EPA cites a recent study showing that environmental protection is already a \$100

must learn fluency with the terms SIP, NO_x, RACT, MACT, VOC, HOV, ECO, UAM, and VMT. (Pop quiz: Which is a complicated way of saying "Leave the car at home"?) Indeed, one activist in Washington, D.C., has found the campaign for state smog-reduction plans to be the most difficult he has ever worked on.

In defense of all the complexity, Bill Sessa, a spokesman for the California Air Resources Board, quotes a federal official who once said, "Even the simplest air quality issue is more complicated than the most complex water or solid waste issue." But the upshot is that Clean Air Act issues tend to remain the purview of full-time clean air professionals—advocates, public officials, and industry lawyers who understand its concepts and speak its language.

Gloria Inverso and Patricia Jackson focus their community work on siting issues and on coping with

the country—the story is the same: food labeling is more likely to be on the agenda than ozone.

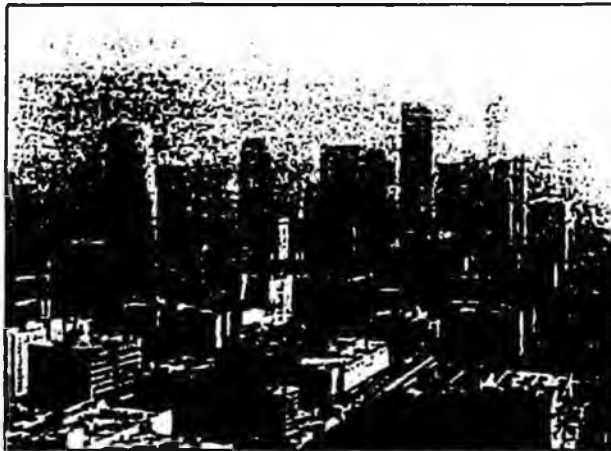
With public involvement in clean air policy low, and only a limited number of beleaguered air quality advocates to defend it, the Clean Air Act has become an easy target of criticism. It is now fashionable, in many Washington circles, to regard the Act as a dinosaur typical of an outdated "command and control" approach. "Newer environmental thinking calls for upfront pollution prevention rather than end-of-the-tailpipe controls, and that's great," says Jayne Mardock of the Clean Air Network, a national umbrella organization of clean air advocates. "But you can't throw the baby out with the bathwater. I'll be the first to throw my hat in the air when all air pollution has been prevented, but until that day we still need to con-

pollution control industry alone will grow by \$50 billion to \$70 billion over today's revenues by the year 2000. That could translate into 300,000 new jobs. And it is an area of technology with strong export potential, as Bill Sessa confirms: "Literally every piece of hardware that reduces pollution on cars anywhere in the world was developed for California."

ments that cars have made, cleaning up by 95 percent since 1970 (though it is worth noting that electric cars will still be 200 times cleaner over their lifetimes than gasoline-powered cars). Cleaning up the motors for lawn mowers and chain saws, for instance, which have long been designed with no thought for air quality, will take a far more efficient design or a cat-

Lung Association in Chicago. In Maine, the population grew 8 percent during the 1980s while the number of miles driven leaped by 60 percent.

And so the Clean Air Act, for all its reputation as the fuddy-duddy of environmental laws, contains what may be the most ambitious pollution prevention program on the books: a mandate for society to



Air apparent: LA is only the worst example of a pervasive ozone smog problem in U.S. cities. Yet most states are about to miss a critical deadline for smog control plans.

In addition, Project California predicts that California's mandate to auto manufacturers, requiring them to start selling a certain quota of electric vehicles in the next few years, could produce 71,000 jobs by the year 2010. (Project California is a committee of industry, academics, labor, and state officials seeking to develop new clusters of high-tech environmental industries.) Indeed, one of the biggest boosters of the electric-vehicles mandate is the state machinists union.

Similar results could follow as the EPA moves to regulate in other fields. After twenty years of focussing primarily on passenger cars, the agency is starting to pay much more attention to all of the other fossil-fuel engines operating in our society: diesel buses and trucks, farm and construction equipment, lawn and gardening machinery, motor boats and jet skis, perhaps even locomotives and jet planes. Many of these engines will undergo

analytic converter the size of a fifty-cent piece.

But, in the end, the Clean Air Act does admit that reinventing technology is not enough. Engines can only be so clean, and when their number is growing by leaps and bounds, the aggregate pollution will increase in spite of every improvement at the tailpipe. "If car use had gone up in Chicago at the same rate as population instead of twelve times faster, we would have 20 to 25 percent less hydrocarbons and nitrogen oxides [the main ingredients of ozone smog],"

put the brakes on the sprawling ex-urban subdivisions, industrial parks, and highway extensions that turn us into such drive-oholics in the first place. Much as utilities have discovered "least-cost planning," which allows them to use energy efficiency as the cheaper alternative to building new power plants, so too will metropolitan planning councils, local zoning boards, and state transportation departments have to learn a new way of life. In tandem with the Surface Transportation Efficiency Act of 1991—which supplies the "carrot" of federal funds for transportation infrastructure—the Clean Air Act requires the states to ensure that the sum total of new road-building in a year adds no new pollution.

Will it work? How well? How soon? Stay tuned. And remember: the script is still being written. Anyone with an interest in the outcome needs to take part. •

Airing the issues

For information on clean air activism in your area, contact the Clean Air Network at 202-624-9388.

SB

28

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 4/20/95

FURTHER:

DATE TURNED INTO OFFICE: 4-27-95

The Finance Committee considered **SENATE BILL NO. 28**

Rep. vehi SB 28 MOTOR VEHICLE REGISTRATION FEE AND EMISSION INSPECTIONS tor

and recommends:

- be replaced with CS SB 28 (Fix)
- adopt previous CS _____
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to the _____ Committee

Senate Bill:

- same title
- new title
- House Bill:
- same title
- technical change
- new: SCR# _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>[Signature]</i>	✓	<i>[Signature]</i>	✓		
<i>[Signature]</i>	✓	<i>[Signature]</i>	✓		
		<i>[Signature]</i>	✓		
		<i>[Signature]</i>	✓		

*New DPS
fiscal note
coming.
Same cost
but reduced or
to revenue,*

(S): Date Zero Fiscal

Department	Date	Zero	Fiscal
DPS	4/23/95		58.8

PREVIOUS FISCAL NOTE(S):*
Department Date Zero Fiscal

Department	Date	Zero	Fiscal
DEC	4/4/95		250.0

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO: CSSB 28(FIN)

Revision Date: 4/28/95 Dept. Affected: Public Safety
 Title: An Act repealing an additional fee for motor BRU: Motor Vehicles
vehicle registration not conducted by mail.... Component: Field Services
 Sponsor: Senator Donley
 Requestor: S. FIN. COMPONENT SERIAL NO. 0502

EXPENDITURES/REVENUES: (Thousands of Dollars) (Inflation not included)

OPERATING	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES	36.1	36.1	36.1	36.1	36.1	36.1
TRAVEL						
CONTRACTUAL	12.7	1.5	1.5	1.5	1.5	1.5
SUPPLIES						
EQUIPMENT	10.0					
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	58.8	37.6	37.6	37.6	37.6	37.6

CAPITAL EXPENDITURES	-0-	-0-	-0-	-0-	-0-	-0-
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CHANGE IN REVENUES (1005)) Revenue Code						
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FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GE Match						
1004 GE	58.8	37.6	37.6	37.6	37.6	37.6
1005 GE/Program Receipts						
1006 GE/MHTIA						
Other						
TOTAL	58.8	37.6	37.6	37.6	37.6	37.6

Estimate of current year (FY 95) impact: \$ _____

POSITIONS:

FULL-TIME	1	1	1	1	1	1
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary.)

See attached

Prepared By: Juanita M Hensley Phone: 269-5559
 Division: Motor Vehicles Date: 4/28/95
 Approved by Commissioner: *Ronald L. Otte* Date: _____
 Agency: Ronald L. Otte, Dept. of Public Safety

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Analysis

In the emission inspection areas of Anchorage and Fairbanks there were 40,000 ownership changes in 1993 and 30,000 in 1994. For this analysis the average figure of 35,000 ownership changes will be used. This is the total number of vehicles that must be checked to see if they meet the requirement of having an additional I/M inspection at change of ownership. The DMV employee must determine if the vehicle meets the general age and weight criteria for inspections, whether the vehicle is 1987 model or older, and whether the vehicle has had an inspection within the last year. This checking will increase the average time for each transaction because only a portion of it can be automated. Additional time will be required to explain the requirements to owners and for the second visit required by those who do not meet the requirements on the first visit.

Since the circumstances vary so much it is not practical to quantify each individual transaction but it is estimated that this additional work will increase the overall workload by 1% so DMV will increase staffing by 1% or 1 PFT. The cost detail for the one PFT is as follows:

1 Motor Vehicle Rep I/II	\$36.1
DP costs for 1 APSIN terminal	\$.5
Equipment, 1 computer workstation	\$10.0
150 Hours of Contract Programming @ \$75 Hr..(One-time costs)	\$11.2
Data center charge for on line storage	\$ 1.0
Total	\$59.9

FISCAL NOTE

No. 4

Bill Version: CS SB 28 (TRA)

(S) Publish Date: 4/19/95

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO. _____

Revision Date: 14-Apr-95
Title: Motor Vehicle Registration Fee/Emission Inspection
Sponsor: Senator Donley
Requestor: (S)TRA

Department Affected: Environmental Conservation
BRU: Environmental Quality
Component: Air Quality

COMPONENT SERIAL NO. 1428

Expenditures/Revenues: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	250.0	50.0	50.0	50.0	50.0	50.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND&STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	250.0	50.0	50.0	50.0	50.0	50.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0
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FUND SOURCE

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	50.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipt	200.0	50.0	50.0	50.0	50.0	50.0
1006 GF/MHTIA	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY95) cost: \$ 0.0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary.)

See Attached

Prepared by: Larry Jones
Division: Director, Division of Administrative Services

Phone: 465-5010
Date: 4/14/95

Approved by Commissioner: [Signature]
Agency: Department of Environmental Conservation

Date: 4/14/95

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Attachment for

FISCAL NOTE - Proposed SB28(s)

STATE OF ALASKA
DEPARTMENT OF ENVIRONMENTAL CONSERVATION

The existing vehicle inspection and maintenance (I/M) program requires vehicles to be inspected on an annual basis. Vehicle owners must provide the Division of Motor Vehicles with an I/M certificate indicating that the vehicle has passed the emissions test in order to register their vehicle. SB-28(s) would require vehicles subject to I/M programs to be inspected and certified on a biennial basis, rather than the annual basis.

While providing relief to many vehicle owners, a biennial provision would make it harder to detect program evaders. A biennial program would provide owners who illegally register their vehicles to areas outside of an I/M program area, or who typically avoid registering their vehicles, a biennial opportunity to legally register their vehicles without dealing with the I/M requirements. In addition, the Department must treat each violator as a misdemeanor. Therefore, prosecution is expensive and time consuming. The combined conditions would encourage additional program evasion. The Department expects SB-28(s) to reduce program effectiveness by 5 to 15 percent. However, some of the reduction in effectiveness could be offset with minor program adjustments.

SB-28(s) addresses the enforcement concern by allowing a \$200 fine to be issued to an owner of a vehicle subject to an I/M program, which is being operated in an I/M area without a current and valid I/M certificate or inspection. The fine simplifies the enforcement effort and provides a relatively stiff penalty, which should help deter program evasion.

The proposed SB-28(s) would also allow the funds collected from the enforcement effort to be used by the Department to enhance the capability to electronically obtain and share enforcement related data with the Division of Motor Vehicles, and to conduct I/M enforcement efforts.

If SB-28(s) is passed, the Department would need \$250,000 in FY96 to for software development. The number of enforcement case loads would increase some, but could be handled by existing staff. The language concerning violations need to be put into both AS 28 and AS 46.14.510.

SENATE FINANCE
COMMITTEE

Amendment Number: 1

Bill Number: SB 28

Sponsor: Sharp Date: 4/27/95

Logged In By: JJA

4-27-95
BS
moved
Adopted

AMENDMENT

BY SENATOR SHARP
SB 28 (L&C) MOTOR VEHICLE OWNERSHIP/EMISSION INSPECTION

page 2, line 9:

Insert after mail to read:

" , or ^{not} at an I/M Station offering vehicle Re-
registration services."

4-27-95
Amend #1
Adopted.

9-LS025610

Amend #2
Delete Secs
1, 4, 5, 6
and conform
Sec. 3 to
status quo.
w/above
Amend #1.

Adjust Secs
10 & 11 to
reflect
new sec. nos.

Fin

CS FOR SENATE BILL NO. 28(L&C)

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - FIRST SESSION

BY THE SENATE LABOR AND COMMERCE COMMITTEE

Offered: 4/20/95
Referred: Finance

Sponsor(s): SENATORS DONLEY, Zharoff, Salo

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to transfer of motor vehicle ownership, motor vehicle registration
2 fees, and motor vehicle emissions inspection; and providing for an effective date."

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

4 * ~~Section 1. INTENT. It is the intent of the legislature that money collected by increasing~~
5 ~~fees under secs. 4, 5, and 6 of this Act be appropriated to fund field offices of the division~~
6 ~~of motor vehicles.~~

7 * Sec. 2. AS 28.10.271 is amended by adding a new subsection to read:

8 (d) An emissions inspection and maintenance certificate shall be obtained when
9 ownership of a motor vehicle is transferred, if the

10 (1) transferee resides in an area designated by the Department of
11 Environmental Conservation as an emissions inspection and maintenance area;

12 (2) motor vehicle was manufactured in 1987 or earlier;

13 (3) motor vehicle would be subject to an emissions inspection and
14 maintenance program; and

1 (4) motor vehicle has not been inspected for emissions or the existing
2 emissions inspection certificate is more than 12 months old.

3 * Sec. 3. AS 28.10.421(a) is amended to read:

4 (a) Unless otherwise provided by law,
5 (1) the fees prescribed in this section shall be paid to the department
6 at the times provided under AS 28.10.108 and 28.10.111; and

7 (2) [AN ADDITIONAL FEE OF \$10 SHALL BE ADDED TO] the
8 registration fee set out in this section ~~shall be reduced by \$10 or the amount of the~~
9 ~~fee whichever is less,~~ for registration [NOT] conducted by mail. ^{shays} THE
10 DEPARTMENT MAY WAIVE THIS ADDITIONAL FEE ^{failm (or)} FOR A GOOD CAUSE ^{Amend}
11 BASED ON CRITERIA ESTABLISHED IN REGULATIONS ADOPTED BY THE ^{#1}
12 DEPARTMENT].

Sec. 3 starts quo.

13 * Sec. 4. AS 28.10.421(b) is amended to read:

14 (b) The annual registration fees under this subsection are imposed within the
15 following classifications for:

- 16 (1) a passenger vehicle or motor home not used or maintained for the
17 transportation of persons or property for hire or for other commercial use
18 ~~\$45~~ ^[\$35];
- 19 (2) a pick-up truck or a van not exceeding 6,000 pounds unladen
20 weight and not used or maintained for the transportation of persons or property for hire
21 or for other commercial use ~~\$50~~ ^[\$40];
- 22 (3) a taxicab ~~\$80~~ ^[\$70];
- 23 (4) a motor bus with a seating capacity for 20 or more persons and
24 used exclusively for commercial purposes in the transporting of visitors or tourists
25 ~~\$95~~ ^[\$85];
- 26 (5) a motorcycle or a motor-driven cycle ~~\$30~~ ^[\$20];
- 27 (6) a trailer not used or maintained for the transportation of persons or
28 property for hire or for other commercial use, including, but not limited to, a boat
29 trailer, baggage trailer, box trailer, utility trailer, house trailer, travel trailer, or a trailer
30 rented or offered for rent ~~\$15~~ ^[\$5].

31 * Sec. 5. AS 28.10.421(c) is amended to read:

1 (c) The annual registration fees under this subsection are imposed and are
2 based upon the actual unladen weight as established by the manufacturer's advertised
3 weight or upon the actual weight that [WHICH] the owner shall furnish, subject to the
4 approval of the commissioner or the commissioner's representative, for a vehicle,
5 including a motor vehicle pulling a trailer or semi-trailer, that is registered in the name
6 of a company or business, or is used or maintained for the transportation of passengers
7 for hire, excepting taxicabs and buses under (b) of this section, or for the transportation
8 of property for hire or for other commercial purposes, including a trailer, semi-trailer,
9 truck, wrecker, tow car, hearse, ambulance, and tractor, as follows:

- 10 (1) up to and including 5,000 pounds \$61 [\$51];
11 (2) more than 5,000 pounds to and including 12,000 pounds
12 \$96 [\$86];
13 (3) more than 12,000 pounds to and including 18,000 pounds
14 \$166 [\$156];
15 (4) more than 18,000 pounds \$231 [\$221].

16 * Sec. 6. AS 28.10.421(d) is amended to read:

17 (d) The special registration fees under this subsection are imposed annually,
18 unless otherwise specified, for:

- 19 (1) an historic vehicle (one time only upon initial registration under
20 AS 28.10.181) \$10;
21 (2) special request plates for
22 (A) Alaska National Guard personnel \$30;
23 (B) veterans or retired veterans \$30;
24 (C) recipients of the Purple Heart \$30;
25 (D) owners of custom collector vehicles \$50;
26 (E) other special request plates \$30;

27 plus the fee required for that vehicle under (b) of this section; the fee required by this
28 paragraph shall be collected only on the first issuance and on the replacement of
29 special request plates;

30 (3) a vehicle owned by a disabled veteran or other handicapped person,
31 and registered under AS 28.10.181 or a resident 65 years of age or older who files a

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written application for an exemption on a form prescribed by the department
..... none;
(4) a vehicle owned by the state none;
(5) a vehicle owned by an elected state official
the fee required for that vehicle under (b) of this section;
(6) [REPEALED
(7)] a vehicle owned by a rancher, farmer, or dairyman and registered
under AS 28.10.181 \$45 [\$35];
(7) [(8)] a snowmobile or off-highway vehicle \$15 [\$5];
(8) [(9)] an amateur mobile radio station vehicle,
(A) with a transceiver capable of less than 5-band operation
..... the fee
required for that vehicle under (b) or (c) of this section;
(B) in recognition of service to the public: a mobile amateur
radio station owned by an amateur with general class or higher license,
provided the station must be satisfactorily proved capable of operating on at
least five bands from 160 through 10 meters, must have an antenna, and must
have a power supply and wiring as a permanent part of the vehicle; the
transmitting unit may be removed from the car for service or dry storage
..... none
for a mobile amateur radio station vehicle included in (b)(1) or (2) of this
section
(9) [(10)] dealer registration plates,
(A) the initial set of plates \$55 [\$45];
(B) each subsequent set of plates \$35 [\$25];
(10) [(11)] a vehicle owned by a municipality or charitable organization
meeting the requirements of AS 28.10.181(e) \$15 [\$5];
(11) [(12)] REPEALED
(13)] a vehicle owned by a Pearl Harbor survivor or a former prisoner
of war none;
(12) [(14)] REPEALED

1 (15)] special request university plates \$50
2 plus the fee required for that vehicle under (b)(1) or (2) of this section; the fee
3 required by this paragraph shall be collected only on the first issuance and on the
4 replacement of special request plates; the commissioner of administration shall
5 separately account by university campus designation for the fees received under this
6 paragraph that the department deposits in the general fund; the annual estimated
7 balance in the accounts that is in excess of the cost of issuing special request
8 university plates may be appropriated by the legislature for the support of programs
9 at each campus.

10 * Sec. 7. AS 28.10.423 is amended to read:

11 Sec. 28.10.423. EMISSION CONTROL INSPECTION PROGRAM FEES. In
12 addition to the annual registration fee specified in AS 28.10.421, a \$2 [\$1] fee is
13 imposed upon every vehicle required to be inspected under an emission control
14 program established under AS 46.14.400 or 46.14.510. This fee shall be collected at
15 the same time and in the same manner as the registration fee.

16 * Sec. 8. AS 46.14.400 is amended by adding new subsections to read:

17 (i) If a municipality or a local air quality district administering a program
18 under this section requires emissions inspection for a motor vehicle, emission
19 inspection may not be required more than once every two years.

20 (j) A person who operates a motor vehicle in violation of emissions
21 requirements imposed under this section is guilty of a violation and upon conviction
22 shall be fined \$200. It is the intent of the legislature that money collected under this
23 subsection be appropriated to promote air quality control programs in municipalities.

24 * Sec. 9. AS 46.14.510 is amended by adding new subsections to read:

25 (e) If the department adopts regulations requiring emissions inspection for a
26 motor vehicle, the department may not require the vehicle be inspected more than once
27 every two years.

28 (f) A person who operates a motor vehicle in violation of emissions
29 requirements imposed under this section is guilty of a violation and upon conviction
30 shall be fined \$200. It is the intent of the legislature that money collected under this
31 subsection be appropriated to control pollution from motor vehicle emissions.

new sec. nos.

- 1 * **Sec. 10.** AS 46.14.400(j), enacted in sec. 8 of this Act, and AS 46.14.510(f), enacted
- 2 in sec. 9 of this Act, take effect July 1, 1995.
- 3 * **Sec. 11.** Except as provided in sec. 10 of this Act, this Act takes effect July 1, 1996.

FISCAL NOTE

*5-1-95
LED copy to H.Fin.*

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO: CSSB 28(FIN)

Revision Date: 4/28/95
 Title: An Act repealing an additional fee for motor vehicle registration not conducted by mail....
 Sponsor: Senator Donley
 Requestor: S. FIN.

Dept. Affected: Public Safety
 BRU: Motor Vehicles
 Component: Field Services
 COMPONENT SERIAL NO. 0502

EXPENDITURES/REVENUES: (Thousands of Dollars) (inflation not included)

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TRAVEL						
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LAND & STRUCTURES						
GRANTS CLAIMS						
MISCELLANEOUS						
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CAPITAL EXPENDITURES	-0-	-0-	-0-	-0-	-0-	-0-
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CHANGE IN REVENUES (1005)) Revenue Code						
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1006 GE/MHTIA						
Other						
TOTAL	58.8	37.6	37.6	37.6	37.6	37.6

Estimate of current year (FY 95) impact: \$ _____

POSITIONS:

FULL-TIME	1	1	1	1	1	1
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary.)

See attached

4/28/95

Prepared By: Juanita M Hensley
 Division: Motor Vehicles
 Approved by Commissioner: *Ronald L. Otte*
 Agency: Ronald L. Otte, Dept. of Public Safety

Phone: 269-5559
 Date: 4/28/95
 Date: 4/28/95

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150 Hours of Contract Programming @ \$75 Hr..(One-time costs)	\$11.2
Data center charge for on line storage	\$ 1.0
Total	\$59.9

MEMO

TO: Legal Services

FROM: Kathy
Senate Finance
465-2618

DATE: April 27, 1995

RE: CSSB 28 (Fin)

Working from CSSB 28 (L&C), please:

1. delete Secs. 1, 4, 5, and 6,
2. change language within Sec. 3 to revert to status quo statutory language plus addition of Amendment No. 1.
3. adjust section numbers cited in Secs. 10 and 11.

to produce a final Senate Finance Committee Substitute. Please return the bill to Kathy, Room 520, Capitol Building, to be read across at the Friday morning, April 28, 1995, 11:00 a.m. Senate floor session.

(The intent of the foregoing is to make the bill revenue neutral and maintain the status quo in terms of fees. Please advise whether the foregoing deletions will involve a title change. Thank you.)

SENATE FINANCE COMMITTEE REPORT

DATE: 4/20/95

FURTHER:

DATE TURNED INTO OFFICE: 4-27-95

The Finance Committee considered SENATE BILL NO. 28

Rep. vehi SB 28 MOTOR VEHICLE REGISTRATION FEE AND EMISSION INSPECTIONS tor

and recommends:

- be replaced with CS SB 28 (Fix)
- adopt previous CS _____
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to the _____ Committee

- Senate Bill:
- same title
 - new title
- House Bill:
- same title
 - technical change
 - new: SCR# _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>[Signature]</i>	✓	<i>[Signature]</i>	✓		
<i>[Signature]</i>	✓	<i>[Signature]</i>	✓		
		<i>[Signature]</i>	✓		
		<i>[Signature]</i>	✓		

*New DPS
fiscal note
coming.
same cost
but reduced or
revenue,*

(S):
Date Zero Fiscal

Department	Date	Zero	Fiscal
DPS			58.8

PREVIOUS FISCAL NOTE(S):*
Department Date Zero Fiscal

Department	Date	Zero	Fiscal
DEC	4/14/95		250.0

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

4/28/95 Okayed by Cam for
Sen. Sharp

+ by James for
Sen. Donley 9-LS0256R✓

CS FOR SENATE BILL NO. 28(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - FIRST SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:

Referred:

Sponsor(s): SENATORS DONLEY, Zharoff, Salo

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to transfer of motor vehicle ownership and motor vehicle
2 emissions inspection; and providing for an effective date."

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

4 * Section 1. AS 28.10.271 is amended by adding a new subsection to read:

5 (d) An emissions inspection and maintenance certificate shall be obtained when
6 ownership of a motor vehicle is transferred, if the

7 (1) transferee resides in an area designated by the Department of
8 Environmental Conservation as an emissions inspection and maintenance area;

9 (2) motor vehicle was manufactured in 1987 or earlier;

10 (3) motor vehicle would be subject to an emissions inspection and
11 maintenance program; and

12 (4) motor vehicle has not been inspected for emissions or the existing
13 emissions inspection certificate is more than 12 months old.

14 * Sec. 2. AS 28.10.421(a) is amended to read:

1 (a) Unless otherwise provided by law,

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

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

9 * Sec. 3. AS 28.10.423 is amended to read:

10 Sec. 28.10.423. EMISSION CONTROL INSPECTION PROGRAM FEES. In
11 addition to the annual registration fee specified in AS 28.10.421, a \$2 [\$1] fee is
12 imposed upon every vehicle required to be inspected under an emission control
13 program established under AS 46.14.400 or 46.14.510. This fee shall be collected at
14 the same time and in the same manner as the registration fee.

15 * Sec. 4. AS 46.14.400 is amended by adding new subsections to read:

16 (i) If a municipality or a local air quality district administering a program
17 under this section requires emissions inspection for a motor vehicle, emission
18 inspection may not be required more than once every two years.

19 (j) A person who operates a motor vehicle in violation of emissions
20 requirements imposed under this section is guilty of a violation and upon conviction
21 shall be fined \$200. It is the intent of the legislature that money collected under this
22 subsection be appropriated to promote air quality control programs in municipalities.

23 * Sec. 5. AS 46.14.510 is amended by adding new subsections to read:

24 (e) If the department adopts regulations requiring emissions inspection for a
25 motor vehicle, the department may not require the vehicle be inspected more than once
26 every two years.

27 (f) A person who operates a motor vehicle in violation of emissions
28 requirements imposed under this section is guilty of a violation and upon conviction
29 shall be fined \$200. It is the intent of the legislature that money collected under this
30 subsection be appropriated to control pollution from motor vehicle emissions.

31 * Sec. 6. AS 46.14.400(j), enacted in sec. 4 of this Act, and AS 46.14.510(f), enacted in

1 sec. 5 of this Act, take effect July 1, 1995.

2 * Sec. 7. Except as provided in sec. 6 of this Act, this Act takes effect July 1, 1996.

FISCAL NOTE

No. 4
 Bill Version: CS SB28 (TRA)
 (S) Publish Date: 4/19/95

STATE OF ALASKA
 1995 LEGISLATIVE SESSION

BILL NO.

Revision Date: 14-Apr-95
 Title: Motor Vehicle Registration Fee/Emission Inspection
 Sponsor: Senator Donley
 Requestor: (S)TRA

Department Affected: Environmental Conservation
 BRU: Environmental Quality
 Component: Air Quality

COMPONENT SERIAL NO. 1428

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	250.0	50.0	50.0	50.0	50.0	50.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND&STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	250.0	50.0	50.0	50.0	50.0	50.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0
------------------------	-----	-----	-----	-----	-----	-----

FUND SOURCE

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	50.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipt	200.0	50.0	50.0	50.0	50.0	50.0
1006 GF/MHTIA	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY95) cont: 5 0.0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary.)

See Attached

Prepared by: Larry Jones
 Division: Director, Division of Administrative Services

Phone: 465-5010
 Date: 4/14/95

Approved by Commissioner: *[Signature]*
 Agency: Department of Environmental Conservation

Date: 4/14/95

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Attachment for

FISCAL NOTE - Proposed SB28(s)

STATE OF ALASKA
DEPARTMENT OF ENVIRONMENTAL CONSERVATION

The existing vehicle inspection and maintenance (I/M) program requires vehicles to be inspected on an annual basis. Vehicle owners must provide the Division of Motor Vehicles with an I/M certificate indicating that the vehicle has passed the emissions test in order to register their vehicle. SB-28(s) would require vehicles subject to I/M programs to be inspected and certified on a biennial basis, rather than the annual basis. *

While providing relief to many vehicle owners, a biennial provision would make it harder to detect program evaders. A biennial program would provide owners who illegally register their vehicles to areas outside of an I/M program area, or who typically avoid registering their vehicles, a biennial opportunity to legally register their vehicles without dealing with the I/M requirements. In addition, the Department must treat each violator as a misdemeanor. Therefore, prosecution is expensive and time consuming. The combined conditions would encourage additional program evasion. The Department expects SB-28(s) to reduce program effectiveness by 5 to 15 percent. However, some of the reduction in effectiveness could be offset with minor program adjustments.

SB-28(s) addresses the enforcement concern by allowing a \$200 fine to be issued to an owner of a vehicle subject to an I/M program, which is caught being operated in an I/M area without a current and valid I/M certificate or sticker. The fine simplifies the enforcement effort and provides a relatively stiff penalty, which should help deter program evasion.

The proposed SB-28(s) would also allow the funds collected from the enforcement effort to be used by the Department to enhance the capability to electronically obtain and share enforcement related data with the Division of Motor Vehicles, and to conduct I/M enforcement efforts.

If SB-28(s) is passed, the Department would need \$250,000 in FY96 to for software development. The number of enforcement case loads would increase some, but could be handled by existing staff. The language concerning violations need to be put into both AS 28 and AS 46.14.510.

SENATE FINANCE COMMITTEE

SB 28 MOTOR VEHICLE REG FEE/EMISS'N INSPECTIONS

PLEASE SIGN IN BELOW

NAME: Juanita Hensley
Co./DEPT./TITLE: DPS/Dmv PHONE: 2650
ADDRESS: Box 20020 ZIP: 99802
DO YOU WISH TO TESTIFY? YES NO RESPOND TO QUESTIONS

NAME: Ron King
Co./DEPT./TITLE: DEC PHONE: 5100
ADDRESS: 410 Willoughby Ave ZIP: 99801
DO YOU WISH TO TESTIFY? YES NO RESPOND TO QUESTIONS

NAME: _____
Co./DEPT./TITLE: _____ PHONE: _____
ADDRESS: _____ ZIP: _____
DO YOU WISH TO TESTIFY? YES NO RESPOND TO QUESTIONS

NAME: _____
Co./DEPT./TITLE: _____ PHONE: _____
ADDRESS: _____ ZIP: _____

FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO: CSSB 28(FIN)

Revision Date: 4/28/95 Dept. Affected: Public Safety
 Title: An Act repealing an additional fee for motor BRU: Motor Vehicles
vehicle registration not conducted by mail... Component: Field Services
 Sponsor: Senator Doniev
 Requestor: S. FIN. COMPONENT SERIAL NO. 0502

EXPENDITURES/REVENUES: (Thousands of Dollars) (inflation not included)

	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
OPERATING						
PERSONAL SERVICES	36.1	36.1	36.1	36.1	36.1	36.1
TRAVEL						
CONTRACTUAL	12.7	1.5	1.5	1.5	1.5	1.5
SUPPLIES						
EQUIPMENT	10.0					
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	58.8	37.6	37.6	37.6	37.6	37.6

CAPITAL EXPENDITURES	-0-	-0-	-0-	-0-	-0-	-0-
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CHANGE IN REVENUES (1005) Revenue Code						
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FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GE Match						
1004 GE	58.8	37.6	37.6	37.6	37.6	37.6
1005 GE/Program Receipts						
1006 GE/MHTIA						
Other						
TOTAL	58.8	37.6	37.6	37.6	37.6	37.6

Estimate of current year (FY 95) impact: \$ _____

POSITIONS:

FULL-TIME	1	1	1	1	1	1
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary.)

See attached

Prepared By: Juanita M Hensley Phone: 269-5559
 Division: Motor Vehicles Date: 4/29/95
 Approved by Commissioner: Ronald L. Otte Date: _____
 Agency: Ronald L. Otte, Dept. of Public Safety

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Analysis

In the emission inspection areas of Anchorage and Fairbanks there were 40,000 ownership changes in 1993 and 30,000 in 1994. For this analysis the average figure of 35,000 ownership changes will be used. This is the total number of vehicles that must be checked to see if they meet the requirement of having an additional I/M inspection at change of ownership. The DMV employee must determine if the vehicle meets the general age and weight criteria for inspections, whether the vehicle is 1987 model or older, and whether the vehicle has had an inspection within the last year. This checking will increase the average time for each transaction because only a portion of it can be automated. Additional time will be required to explain the requirements to owners and for the second visit required by those who do not meet the requirements on the first visit.

Since the circumstances vary so much it is not practical to quantify each individual transaction but it is estimated that this additional work will increase the overall workload by 1% so DMV will increase staffing by 1% or 1 PFT. The cost detail for the one PFT is as follows:

1 Motor Vehicle Rep III	\$36.1
DP costs for 1 APSIN terminal	\$.5
Equipment, 1 computer workstation	\$10.0
150 Hours of Contract Programming @ \$75 Hr..(One-time costs)	\$11.2
Data center charge for on line storage	\$ 1.0
Total	\$59.9



SENATOR DAVE DONLEY

ALASKA STATE LEGISLATURE

Sectional Analysis for Senate Bill 28

Section #1 - Intent language that appropriates the money collected from the additional fees set in sections 4, 5, and 6 to fund the Division of Motor Vehicles (DMV) field offices.

Section #2 - Requires an additional I/M inspection and maintenance certificate in order to transfer the title of a vehicle if

- 1) the transferee resides in an I/M inspection area.
- 2) the motor vehicle was manufactured in 1987 or earlier.
- 3) the motor vehicle would be subject to an emissions inspection and maintenance program.
- 4) the motor vehicle had not been inspected for emissions or the existing emissions inspection certificate is more than 12 months old.

Section #3, 4, 5 & 6 - restructures the fees levied by DMV for certain motor vehicle registrations.

Section #7 - Increases the fee collected by DMV for vehicles required to be inspected under an emission control program from \$1 to \$2. This increase would offset the loss of revenue DMV would incur should biennial testing be implemented.

Section #8 & 9 - Provides an enforcement provision that would fine owners of motor vehicles \$200 if they are found guilty of operating their vehicle without a current and valid I/M certificate or sticker. There is also intent language that would allow the Department of Environmental Conservation (DEC) to appropriate the monies collected from these fines for promotion of air quality control programs and enforcement procedures in municipalities. DEC would begin enforcement of this infraction on July 1, 1995.

Section #10 - Provides for an effective date of July 1, 1996 which would allow DMV and DEC adequate time to implement the changes incorporated in this bill.

DD/jja

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MEMBER: Senate Finance Committee • Senate State Affairs Committee

Printed in House



SENATOR DAVE DONLEY

ALASKA STATE LEGISLATURE

Sponsor Statement

for

Senate Bill 28

An Act to allow biennial motor vehicle emission inspection testing

Senate Bill 28 would allow automobile emission inspection tests to be biennial rather than annual saving thousands of Alaskans both time and money. SB 28 gives the Department of Environmental Conservation (DEC) some additional emission inspection authority with which the DEC believes they can obtain approval for biennial testing from the U.S. Environmental Protection Agency (EPA). The bill was amended in the Transportation committee to additionally restructure the fees levied by the Division of Motor Vehicles (DMV) for certain motor vehicle registrations. These fee modifications are not related to I/M testing.

EPA has dictated that the Municipality of Anchorage (MOA) and the Fairbanks North Star Borough (FNSB) attain compliance with National Ambient Air Quality Standard. The MOA and FNSB have developed I/M programs designed to meet the minimum performance standard established by EPA. EPA must approve each of their I/M programs annually.

EPA provides a motor vehicle emissions model which contains certain guidelines and steps that demonstrate ways a community can achieve the National Ambient Air Quality Standard. If biennial testing is implemented, other steps or restrictions may be required by EPA in order to attain the Ambient Air Quality Standard.

If biennial I/M testing is implemented, SB 28 would require an I/M inspection certificate in order to transfer the title of the vehicle. This additional requirement applies if the transferee resides in an I/M inspection area, if the motor vehicle was manufactured in 1987 or earlier, if the motor vehicle is subject to an emissions inspection maintenance program, and if the motor vehicle had not been inspected for emissions or the existing inspection certificate is more than 12 months old.

Persons operating motor vehicles in an I/M containment area without a current valid emissions inspection and maintenance certificate would face a stiffer penalty under SB 28. This infraction would only apply to those vehicles who are subject to an emissions inspection and maintenance program. DEC would begin enforcement of this infraction on July 1, 1995.

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MEMBER: Senate Finance Committee • Senate State Affairs Committee

Printed in House

These additional provisions were added to allow the MOA and FNSB to achieve the minimum performance standard as established by EPA for a basic I/M program.

SB 28 also adds intent language that would allow DMV to appropriate the monies collected from these fees to fund DMV field offices. There is additional intent language that would allow DEC to appropriate the monies collected from the additional fines to promote air quality control programs and enforcement procedures in municipalities.

Both the DEC and DMV support SB 28.

FISCAL NOTE

No. 3

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO:

Bill Version: CSSB 28 (TRA)

(S) Publish Date: 4/19/95

Revision Date: 4/19/95 Dept. Affected: Public Safety
 Title: Motor vehicle reg. fee/emmission inspections BRU: Motor Vehicles
 Component: Field Services
 Sponsor: Senator Donley
 Requestor: S. TRA. COMPONENT SERIAL NO. 0502

EXPENDITURES/REVENUES: (Thousands of Dollars) (inflation not included)

OPERATING	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES	36.1	36.1	36.1	36.1	36.1	36.1
TRAVEL						
CONTRACTUAL	12.7	1.5	1.5	1.5	1.5	1.5
SUPPLIES						
EQUIPMENT	10.0					
LAND & STRUCTURES						
GRANTS CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	58.8	37.6	37.6	37.6	37.6	37.6
CAPITAL EXPENDITURES	-0-	-0-	-0-	-0-	-0-	-0-
CHANGE IN REVENUES (1005)	2550.0	2550.0	2550.0	2550.0	2550.0	2550.0
Revenue Code						

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts	58.8	37.6	37.6	37.6	37.6	37.6
1006 GF/MHTIA						
Other						
TOTAL	58.8	37.6	37.6	37.6	37.6	37.6

Estimate of current year (FY 95) impact: \$ _____

POSITIONS:

FULL-TIME	1	1	1	1	1	1
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary.)

See attached

Prepared By: Charles R. Hosack Phone: 269-5559
 Division: Motor Vehicles Date: 4/19/95
 Approved by Commissioner: Ronald L. Otte Date: 4-19-95
 Agency: Ronald L. Otte, Dept. of Public Safety

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Analysis

In the emission inspection areas of Anchorage and Fairbanks there were 40,000 ownership changes in 1993 and 30,000 in 1994. For this analysis the average figure of 35,000 ownership changes will be used. This is the total number of vehicles that must be checked to see if they meet the requirement of having an additional I/M inspection at change of ownership. The DMV employee must determine if the vehicle meets the general age and weight criteria for inspections, whether the vehicle is 1987 model or older, and whether the vehicle has had an inspection within the last year. This checking will increase the average time for each transaction because only a portion of it can be automated. Additional time will be required to explain the requirements to owners and for the second visit required by those who do not meet the requirements on the first visit.

Since the circumstances vary so much it is not practical to quantify each individual transaction, but it is estimated that this additional work will increase the overall workload by 1%, so DMV will increase staffing by 1% or 1 PFT. The fee increases will require changes to the registration computer systems and the reports generated by the system and passed to the state accounting system. This work will be done by contract since all existing staff is fully committed. The total operating costs are as follows:

	FY96	FY97
1 Motor Vehicle Rep I/II	\$36.1	\$36.1
DP costs for 1 APSIN terminal	\$.5	\$.5
Equipment, 1 computer workstation (One-time costs)	\$10.0	
150 hours of contract programming @ \$75 Hr..(One-time costs)	\$11.2	
Data center charge for on line storage	\$ 1.0	\$ 1.0
TOTAL	\$58.8	\$37.6

Revenue

This bill eliminates the \$10 fee for registrations not done by mail. In place of this all registration fees are increased by \$10 but there is a \$10 reduction incentive if the registration is done by mail. On the surface it would appear that this would not affect the revenue but in actuality this will increase revenue by some amount. Under the current statute, DMV adopted regulation defining circumstances in which the \$10 fee could be waived. Some examples would be an owner who needs to do another transaction on that same vehicle such as a title change or plate change or registrations dropped off at the dealer/ fleet section. Another example is the emission station program where the stations do all the work of registration including data entry for DMV at no charge. The \$10 fee is not collected for these transactions because there is no impact on DMV.

In all these examples the owners would pay the new increased registration fee because the renewal was not done by mail. The emission inspection stations are already averaging over 150 registrations per day and this program is expanding to more stations in more areas. The net increase in revenue from this alone would be \$500,000. In 1994 the \$10 fee was waived for 15% of the registrations or approximately 65,000 vehicles. This would generate an additional \$650,000 in new revenue. The final source of new revenue would be new vehicles or vehicles from out of state that are being registered for the first time in Alaska. These vehicles would pay the increased fee because this is an original transaction involving a title and that cannot be done by mail. In 1994 there were approximately 140,000 registrations and this would generate \$1,400,000 in new revenue. The total new revenue from all of these sources would be \$2,550,000.

FISCAL NOTE

No. 2

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO: _____

Bill Version: SB 28

(S) Publish Date: 4/19/95

Revision Date: 2/3/95 Dept. Affected: Public Safety
 Title: An Act repealing an additional fee for motor BRU: Motor Vehicles
vehicle registration not conducted by mail.... Component: Field Services
 Sponsor: Senator Donley
 Requestor: S. TRA. COMPONENT SERIAL NO. 0502

EXPENDITURES/REVENUES: (Thousands of Dollars) (inflation not included)

OPERATING	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL EXPENDITURES	-0-	-0-	-0-	-0-	-0-	-0-
CHANGE IN REVENUES (1005)	(1,100.0)	(1,100.0)	(1,100.0)	(1,100.0)	(1,100.0)	(1,100.0)
Revenue Code						

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

Estimate of current year (FY 95) impact: \$ _____

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary.) SB 28 repeals the \$10 fee for those owners who do not renew their annual vehicle registration by mail. In FY 94 approximately 110,000 vehicle owners paid this fee generating \$1,100,000 in revenue. This amount of revenue is estimated to be the average amount for future years also. Passage of this bill will result in a loss of revenue and longer lines at Division of Motor Vehicle field offices.

Prepared By: Juanita Hensley Phone: 465-2650
 Division: Motor Vehicles Date: 2/7/95
 Approved by Commissioner: *Ronald L. Ote* Date: 2/7/95
 Agency: Ronald L. Ote, Dept. of Public Safety

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FISCAL NOTE

No. 1
 Bill Version: SB 28
 (S) Publish Date: 4/19/95

STATE OF ALASKA
 1995 LEGISLATIVE SESSION

BILL NO-

Revision Date: 24-Mar-95
 Title: Motor Vehicle Registration Fee/Emission Inspection
 Sponsor: Senator Donley
 Requestor: (S)TRA

Department Affected: Environmental Conservation
 BRU: Environmental Quality
 Component: Air Quality

COMPONENT SERIAL NO. 1428

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES	130.0	130.0	130.0	130.0	130.0	130.0
TRAVEL	12.0	12.0	12.0	12.0	12.0	12.0
CONTRACTUAL	100.0	100.0	100.0	100.0	100.0	100.0
SUPPLIES	8.0	3.0	8.0	8.0	3.0	3.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND&STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	250.0	250.0	250.0	250.0	250.0	250.0
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0

FUND SOURCE

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	250.0	250.0	250.0	250.0	250.0	250.0
1005 GF/Program Receipt	0.0	0.0	0.0	0.0	0.0	0.0
1006 GF/MHTIA	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY95) cost: 0.0

POSITIONS:

FULL-TIME	2	2	2	2	2	2
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary.)

See Attached

Prepared by: Larry Jones
 Division: Director, Division of Administrative Services

Phone: 465-5010
 Date: 4/14/95

Approved by Commissioner: [Signature]
 Agency: Department of Environmental Conservation

Date: 4/14/95

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Attachment for

FISCAL NOTE - SB28

STATE OF ALASKA
DEPARTMENT OF ENVIRONMENTAL CONSERVATION

The existing vehicle inspection and maintenance (I/M) program requires vehicles to be inspected on an annual basis. Vehicle owners must provide the Division of Motor Vehicles with an I/M certificate indicating that the vehicle has passed the emissions test in order to register their vehicle. SB-28 would require vehicles subject to I/M programs to be inspected and certified on a biennial basis, rather than the annual basis.

While providing relief to many vehicle owners, a biennial provision would make it harder to detect program evaders. A biennial program would provide owners who illegally register their vehicles to areas outside of an I/M program area, or who typically avoid registering their vehicles, a biennial opportunity to legally register their vehicles without dealing with the I/M requirements. This opportunity could encourage program evasion. The Department expects SB-28 to reduce program effectiveness by 10 to 15 percent.

The Department presently has a case load of 4,000 potential program evaders. With a biennial program, the case load would likely double. In addition, the Department must treat each violator as a misdemeanor. Therefore, prosecution is expensive and time consuming.

If SB-28 is adopted in its current form, the Department would be faced with major enforcement efforts that would require, at a minimum, two new employees and additional time from the Department of Law to process the misdemeanor citations. Because of the level of effort involved with this form of enforcement, the Department believes these costs would be incurred annually, as indicated in the Fiscal Note.



SENATOR DAVE DONLEY
ALASKA STATE LEGISLATURE

MEMORANDUM

RECEIVED

APR 25 REC'D

DATE: April 25, 1995

TO: Senator Rick Halford
Chair, Senate Finance Committee

FROM: Senator Dave Donley *DD*

RE: Senate Bill 28 (relating to biennial emission inspections)

I request that you schedule SB 28, relating to biennial emission inspections for automobiles, for a hearing in your committee.

Senate Bill 28 would allow automobile emission inspection tests to be biennial rather than annual saving thousands of Alaskans both time and money. This bill also restructures the fees levied by the Division of Motor Vehicles for certain vehicle registrations. Both the Department of Environmental Conservation and the Division of Motor Vehicles support this bill.

If you have additional questions please contact James Armstrong of my staff at 465-3892.

DD/jja

FISCAL NOTE

No. 4

Bill Version: CS SB 28 (TRA)

(S) Publish Date: 4/19/95

**STATE OF ALASKA
1995 LEGISLATIVE SESSION**

BILL NO. _____

Revision Date: 14-Apr-95
 Title: Motor Vehicle Registration Fee/Emission Inspection
 Sponsor: Senator Donley
 Requestor: (S)TRA

Department Affected: Environmental Conservation
 BRU: Environmental Quality
 Component: Air Quality

COMPONENT SERIAL NO. 1428

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	250.0	50.0	50.0	50.0	50.0	50.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	250.0	50.0	50.0	50.0	50.0	50.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0
------------------------	-----	-----	-----	-----	-----	-----

FUND SOURCE

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	50.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipt	200.0	50.0	50.0	50.0	50.0	50.0
1006 GF/MHTIA	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY95) cost: \$ 0.0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary.)

See Attached

Prepared by: Larry Jones
 Division: Director, Division of Administrative Services

Phone: 465-5010
 Date: 4/14/95

Approved by Commissioner: *[Signature]*
 Agency: Department of Environmental Conservation

Date: 4/14/95

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Attachment for

FISCAL NOTE - Proposed SB28(s)

**STATE OF ALASKA
DEPARTMENT OF ENVIRONMENTAL CONSERVATION**

The existing vehicle inspection and maintenance (I/M) program requires vehicles to be inspected on an annual basis. Vehicle owners must provide the Division of Motor Vehicles with an I/M certificate indicating that the vehicle has passed the emissions test in order to register their vehicle. SB-28(s) would require vehicles subject to I/M programs to be inspected and certified on a biennial basis, rather than the annual basis. *

While providing relief to many vehicle owners, a biennial provision would make it harder to detect program evaders. A biennial program would provide owners who illegally register their vehicles to areas outside of an I/M program area, or who typically avoid registering their vehicles, a biennial opportunity to legally register their vehicles without dealing with the I/M requirements. In addition, the Department must treat each violator as a misdemeanor. Therefore, prosecution is expensive and time consuming. The combined conditions would encourage additional program evasion. The Department expects SB-28(s) to reduce program effectiveness by 5 to 15 percent. However, some of the reduction in effectiveness could be offset with minor program adjustments.

SB-28(s) addresses the enforcement concern by allowing a \$200 fine to be issued to an owner of a vehicle subject to an I/M program, which is caught being operated in an I/M area without a current and valid I/M certificate or sticker. The fine simplifies the enforcement effort and provides a relatively stiff penalty, which should help deter program evasion.

The proposed SB-28(s) would also allow the funds collected from the enforcement effort to be used by the Department to enhance the capability to electronically obtain and share enforcement related data with the Division of Motor Vehicles, and to conduct I/M enforcement efforts.

If SB-28(s) is passed, the Department would need \$250,000 in FY96 to for software development. The number of enforcement case loads would increase some, but could be handled by existing staff. The language concerning violations need to be put into both AS 28 and AS 46.14.510.

SENATE COMMITTEE REPORT

DATE: 4/19/95

FURTHER: Finance

DATE TURNED INTO OFFICE: 4-20-95

Labor and Commerce Committee considered SENATE BILL NO. 28

Repealing an additional fee for motor vehicle registration not conducted by mail and limiting motor vehicle emissions inspection to once every two years.

and recommends:

- be replaced with CS SB 28 (LEC)
- adopt previous CS
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to the _____ Committee

Senate Bill:

same title

new title

House Bill:

same title

technical change

new: SCR? _____

SIGNING <u>DO</u> PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
		<i>[Signature]</i>	<input checked="" type="checkbox"/>		
		<i>Judith E. Salo</i>	<input checked="" type="checkbox"/>		
CHAIR: <i>Tim Kelly</i>	<input checked="" type="checkbox"/>				

NEW FISCAL NOTE(S):

Department Date Zero Fiscal

Department	Date	Zero	Fiscal

PREVIOUS FISCAL NOTE(S):*

Department Date Zero Fiscal

Department	Date	Zero	Fiscal
DPS	4/19		58
DEC	4/14		250.

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

SENATE COMMITTEE REPORT
First Committee of Referral

DATE: 1/16/95

FURTHER: Labor and Commerce
 Finance

John Date of 5-Day Notice: 3/23/95
 (in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 4/19/95

Transportation Committee considered SENATE BILL NO. 28

"An Act repealing an additional fee for motor vehicle registration not conducted by mail and limiting motor vehicle emissions inspection to once every two years."

FN's

and recommends:

- be replaced with _____ CS SB 28 (TRA)
- adopt previous _____ CS _____
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to the _____ Committee

- Senate Bill: same title
- new title
- House Bill: technical change
- new: SCR# _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>Robin L. Taylor</i>	<input checked="" type="checkbox"/>	<i>[Signature]</i>	<input checked="" type="checkbox"/>		
<i>[Signature]</i>	<input checked="" type="checkbox"/>				
<i>Lyle Green</i>	<input checked="" type="checkbox"/>				
CHAIR: <i>Alvin Kiser</i>	<input checked="" type="checkbox"/>				

NEW FISCAL NOTE(S):

Department Date Zero Fiscal

CS	Environmental Conservation ^{#4}	4/14/95		250.0
CS	Public Safety ^{#3}	4/19/95		58.8
SB	DEC #1	4/14		250.0
SB	DPS #2	2/7		(1100.0)

PREVIOUS FISCAL NOTE(S):*

Department Date Zero Fiscal

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

FISCAL NOTE

#31

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO. SB-28

Revision Date: 24-Mar-95
 Title: Motor Vehicle Registration Fee/Emission Inspection
 Sponsor: Senator Donley
 Requestor: (S)TRA

Department Affected: Environmental Conservation
 BRU: Environmental Quality
 Component: Air Quality

COMPONENT SERIAL NO. 1428

Expenditures/Revenues: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES	130.0	130.0	130.0	130.0	130.0	130.0
TRAVEL	12.0	12.0	12.0	12.0	12.0	12.0
CONTRACTUAL	100.0	100.0	100.0	100.0	100.0	100.0
SUPPLIES	8.0	8.0	8.0	8.0	8.0	8.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	250.0	250.0	250.0	250.0	250.0	250.0
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0

FUND SOURCE

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	250.0	250.0	250.0	250.0	250.0	250.0
1005 GF/Program Receipt	0.0	0.0	0.0	0.0	0.0	0.0
1006 GF/MHTIA	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY95) cost: \$ 0.0

POSITIONS:

FULL-TIME	2	2	2	2	2	2
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary.)

See attached

Prepared by: Larry Jones
 Division: Director, Division of Administrative Services

Phone: 465-5010
 Date: 4/14/95

Approved by Commissioner: [Signature]
 Agency: Department of Environmental Conservation

Date: 4/14/95

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Attachment for

FISCAL NOTE - SB28

**STATE OF ALASKA
DEPARTMENT OF ENVIRONMENTAL CONSERVATION**

The existing vehicle inspection and maintenance (I/M) program requires vehicles to be inspected on an annual basis. Vehicle owners must provide the Division of Motor Vehicles with an I/M certificate indicating that the vehicle has passed the emissions test in order to register their vehicle. SB-28 would require vehicles subject to I/M programs to be inspected and certified on a biennial basis, rather than the annual basis.

While providing relief to many vehicle owners, a biennial provision would make it harder to detect program evaders. A biennial program would provide owners who illegally register their vehicles to areas outside of an I/M program area, or who typically avoid registering their vehicles, a biennial opportunity to legally register their vehicles without dealing with the I/M requirements. This opportunity could encourage program evasion. The Department expects SB-28 to reduce program effectiveness by 10 to 15 percent.

The Department presently has a case load of 4,000 potential program evaders. With a biennial program, the case load would likely double. In addition, the Department must treat each violator as a misdemeanor. Therefore, prosecution is expensive and time consuming.

If SB-28 is adopted in its current form, the Department would be faced with major enforcement efforts that would require, at a minimum, two new employees and additional time from the Department of Law to process the misdemeanor citations. Because of the level of effort involved with this form of enforcement, the Department believes these costs would be incurred annually, as indicated in the Fiscal Note.

#2 2113195
 (S) TRA, L³C,
 FIN

FISCAL NOTE

STATE OF ALASKA
 1995 LEGISLATIVE SESSION

BILL NO: SB 28

Revision Date: 2/3/95 Dept. Affected: Public Safety
 Title: An Act repealing an additional fee for motor BRU: Motor Vehicles
vehicle registration not conducted by mail.... Component: Field Services
 Sponsor: Senator Donley
 Requestor: S. TRA. COMPONENT SERIAL NO. 0502

EXPENDITURES/REVENUES: (Thousands of Dollars) (inflation not included)

	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
OPERATING						
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL EXPENDITURES	-0-	-0-	-0-	-0-	-0-	-0-
CHANGE IN REVENUES (1005)	(1,100.0)	(1,100.0)	(1,100.0)	(1,100.0)	(1,100.0)	(1,100.0)
Revenue Code						

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GE Match						
1004 GE						
1005 GE/Program Receipts						
1006 GE/MHTIA						
Other						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

Estimate of current year (FY 95) impact: \$ _____

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary.) SB 28 repeals the \$10 fee for those owners who do not renew their annual vehicle registration by mail. In FY 94 approximately 110,000 vehicle owners paid this fee generating \$1,100,000 in revenue. This amount of revenue is estimated to be the average amount for future years also. Passage of this bill will result in a loss of revenue and longer lines at Division of Motor Vehicle field offices.

Prepared By: Juanita Hensley Phone: 465-2650
 Division: Motor Vehicles Date: 2/7/95
 Approved by Commissioner: *Ronald L. Otto* Date: 2/7/95
 Agency: Ronald L. Otto, Dept. of Public Safety

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SB 28

FISCAL NOTE

3

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO: CSSB 28(TRA)

Revision Date: 4/19/95 Dept. Affected: Public Safety
 Title: Motor vehicle reg. fec/emmission inspections BRU: Motor Vehicles
 Component: Field Services
 Sponsor: Senator Donley
 Requestor: S. TRA. COMPONENT SERIAL NO. 0502

EXPENDITURES/REVENUES: (Thousands of Dollars) (Inflation not included)

OPERATING	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES	36.1	36.1	36.1	36.1	36.1	36.1
TRAVEL						
CONTRACTUAL	12.7	1.5	1.5	1.5	1.5	1.5
SUPPLIES						
EQUIPMENT	10.0					
LAND & STRUCTURES						
GRANTS CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	58.8	37.6	37.6	37.6	37.6	37.6

CAPITAL EXPENDITURES	-0-	-0-	-0-	-0-	-0-	-0-
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CHANGE IN REVENUES (1006) Revenue Code	2550.0	2550.0	2550.0	2550.0	2550.0	2550.0
--	--------	--------	--------	--------	--------	--------

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts	58.8	37.6	37.6	37.6	37.6	37.6
1006 GF/MHTIA						
Other						
TOTAL	58.8	37.6	37.6	37.6	37.6	37.6

Estimate of current year (FY 95) Impact: \$ _____

POSITIONS:

FULL-TIME	1	1	1	1	1	1
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary.)

See attached

Prepared By: Charles R. Hosack Phone: 269-5559
 Division: Motor Vehicles Date: 4/19/95
 Approved by Commissioner: Ronald L. Otte Date: 4-19-95
 Agency: Ronald L. Otte, Dept. of Public Safety

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Analysis

In the emission inspection areas of Anchorage and Fairbanks there were 40,000 ownership changes in 1993 and 30,000 in 1994. For this analysis the average figure of 35,000 ownership changes will be used. This is the total number of vehicles that must be checked to see if they meet the requirement of having an additional I/M inspection at change of ownership. The DMV employee must determine if the vehicle meets the general age and weight criteria for inspections, whether the vehicle is 1987 model or older, and whether the vehicle has had an inspection within the last year. This checking will increase the average time for each transaction because only a portion of it can be automated. Additional time will be required to explain the requirements to owners and for the second visit required by those who do not meet the requirements on the first visit.

Since the circumstances vary so much it is not practical to quantify each individual transaction, but it is estimated that this additional work will increase the overall workload by 1%, so DMV will increase staffing by 1% or 1 PFT. The fee increases will require changes to the registration computer systems and the reports generated by the system and passed to the state accounting system. This work will be done by contract since all existing staff is fully committed. The total operating costs are as follows:

	FY96	FY97
1 Motor Vehicle Rep I/II	\$36.1	\$36.1
DP costs for 1 APSIN terminal	\$.5	\$.5
Equipment, 1 computer workstation (One-time costs)	\$10.0	
150 hours of contract programming @ \$75 Hr..(One-time costs)	\$11.2	
Data center charge for on line storage	\$ 1.0	\$ 1.0
TOTAL	\$58.8	\$37.6

Revenue

This bill eliminates the \$10 fee for registrations not done by mail. In place of this all registration fees are increased by \$10 but there is a \$10 reduction incentive if the registration is done by mail. On the surface it would appear that this would not affect the revenue but in actuality this will increase revenue by some amount. Under the current statute, DMV adopted regulation defining circumstances in which the \$10 fee could be waived. Some examples would be an owner who needs to do another transaction on that same vehicle such as a title change or plate change or registrations dropped off at the dealer/ fleet section. Another example is the emission station program where the stations do all the work of registration including data entry for DMV at no charge. The \$10 fee is not collected for these transactions because there is no impact on DMV.

In all these examples the owners would pay the new increased registration fee because the renewal was not done by mail. The emission inspection stations are already averaging over 150 registrations per day and this program is expanding to more stations in more areas. The net increase in revenue from this alone would be \$500,000. In 1994 the \$10 fee was waived for 15% of the registrations or approximately 65,000 vehicles. This would generate an additional \$650,000 in new revenue. The final source of new revenue would be new vehicles or vehicles from out of state that are being registered for the first time in Alaska. These vehicles would pay the increased fee because this is an original transaction involving a title and that cannot be done by mail. In 1994 there were approximately 140,000 registrations and this would generate \$1,400,000 in new revenue. The total new revenue from all of these sources would be \$2,550,000.

FISCAL NOTE

#4

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO. SB-28(s)

Revision Date: 14-Apr-95
Title: Motor Vehicle Registration Fee/Emission Inspection
Sponsor: Senator Donley
Requestor: (S)TRA

Department Affected: Environmental Conservation
BRU: Environmental Quality
Component: Air Quality

COMPONENT SERIAL NO. 1428

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	250.0	50.0	50.0	50.0	50.0	50.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND&STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	250.0	50.0	50.0	50.0	50.0	50.0
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0

FUND SOURCE

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	50.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipt	200.0	50.0	50.0	50.0	50.0	50.0
1006 GF/MHTIA	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY95) cost: \$ 0.0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary.)

See Attached

Prepared by: Larry Jones
Division: Director, Division of Administrative Services

Phone: 465-5010
Date: 4/14/95

Approved by Commissioner: *[Signature]*
Agency: Department of Environmental Conservation

Date: 4/14/95

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DEPARTMENT OF ENVIRONMENTAL CONSERVATION**

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If SB-28(s) is passed, the Department would need \$250,000 in FY96 to for software development. The number of enforcement case loads would increase some, but could be handled by existing staff. The language concerning violations need to be put into both AS 28 and AS 46.14.510.

SB

36

SFIN

FILE

FEB 13 1995



SENATOR FRED F. ZHAROFF

ALASKA STATE LEGISLATURE

P. O. BOX 405, KODIAK, ALASKA 99815 (907) 486-5259 (FAX ALSO)

DURING SESSION:

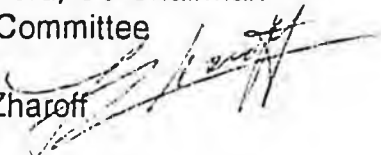
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DISTRICT C

KODIAK ISLAND • RURAL SOUTHEAST • SOUTH KENAI PENINSULA

MEMORANDUM

TO: Senator Rick Halford, Co-Chairman
Senate Finance Committee

FROM: Senator Fred F. Zharoff 

DATE: February 13, 1995

SUBJ: Scheduling of SE 36-Winn Brindle Memorial Scholarship Loans

I respectfully request scheduling of CSSB 36(HESS), "An Act relating to interest on and repayment of A. W. Brindle memorial Scholarship loans; and providing for an effective date" before the Senate Finance Committee.

I have attached back-up information for the committee packet.

Thank you in advance for your consideration of this matter.



SENATOR FRED F. ZHAROFF

ALASKA STATE LEGISLATURE

P. O. BOX 405, KODIAK, ALASKA 99615 (907) 486-5259 (FAX ALSO)

DURING SESSION:

STATE CAPITOL, JUNEAU, ALASKA 99801-1182 • (907) 465-3473 • FAX: (907) 463-3043

DISTRICT C

KODIAK ISLAND • RURAL SOUTHEAST • SOUTH KENAI PENINSULA

SPONSOR STATEMENT

CSSB 36(HESS)-WINN BRINDLE MEMORIAL SCHOLARSHIP LOANS SENATOR FRED F. ZHAROFF

CS SB 36(HESS), "An Act relating to interest on and repayment of A. W. Brindle memorial scholarship loans; and providing for an effective date" was introduced at the recommendation of Alec Brindle of Wards Cove Packing Company. The intent of this bill is to make the A. W. Brindle memorial scholarship loan program more attractive to students seeking post secondary degrees. The Brindle program may be used by students statewide--not just those who reside in fishing communities as some have perceived--who are interested in seeking degrees in fisheries, fishery sciences, fishery management, seafood processing, food technology or other closely related fields.

The program is funded by contributions from the fish processing industry. Fisheries businesses are entitled to a tax credit of not more than five percent of their fish tax liability for contributions made during the year to the A. W. Brindle scholarship account.

According to the Alaska Commission on Postsecondary Education, the Brindle program is currently being underutilized by students. Although over \$1.8 million has been contributed to the program by the industry since 1987, a balance of approximately \$1.4 million remains in the fund. My hope is that by allowing a forgiveness provision similar to that of the old student loan program and by fixing a low interest rate (5%), more students will take advantage of the A. W. Brindle memorial scholarship loan program and seek degrees in fisheries related fields.

- 1 -
- 2 -PROCESSORS OF
CHOICE ALASKA SEAFOOD
SINCE 1912

Wards Cove Packing Company

PHONE (206) 323-1000

1150 HAZARD STREET
P.O. BOX 94000
SEATTLE, WA 98108-0000

DAY FAX (206) 323-9163

November 8, 1994

Senator Fred Zharoff
P.O. Box 405
Kodiak, Alaska 99615

Re: A.W. "Winn" Brindle Memorial Scholarship Loan Program

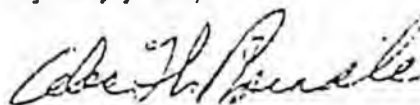
Dear Fred,

I am enclosing a memo to the Alaska Fisheries Businesses, from Gordon Olson, Administrative Assistant of the Alaska Commission on Postsecondary Education. The memo has to do with fisheries business tax credits for donations to the A.W. "Winn" Brindle Memorial Scholarship Loan Program. I note that since 1987 a total of \$1,405,988.76 has been contributed, and that there is still remaining in the account about \$1,000,000.00. While we should all be pleased with the progress the program has made, in view of the amount of money remaining, I wonder if it would be time to consider changing the program from a straight loan program to some compilation of a grant and loan program.

Students today have a difficult time repaying educational loans with all of the other financial pressures on them. What would you think of a program where, of the amount borrowed only 50 percent would have to be repaid? The other 50 percent would be forgiven if each student worked in Alaska for a five year period of time, with a proportion of the entire loan of up to 50 percent being forgiven for each year of employment in the state. This would also apply even if they were out of state, if they were employed in the fisheries business.

This is only a preliminary idea. I hate to see as much money sitting in the fund as there is, when it might be better used for helping Alaska students. I would be happy to discuss my ideas with you further when you have time. Thank you for your consideration.

Very truly yours,



Alec W. Brindle

AWB/cp



ALASKA COMMISSION ON POSTSECONDARY EDUCATION

3030 Vintage Blvd.

Juneau, AK 99801-7109

Phone Number: (907) 465-6741 (Voice)

(907) 465-5318 (Fax)

(907) 465-3143 (TDD)

MEMORANDUM

TO: Alaska Fisheries Businesses

FROM: Gordon Olson, Administrative Assistant
Alaska Commission on Postsecondary Education

SUBJECT: Fisheries Business Tax Credits for Donations to the A.W. "Winn" Brindle
Memorial Scholarship Loan Program

DATE: November 3, 1994

The 1986 Alaska Legislature established the A.W. "Winn" Brindle Memorial Scholarship Loan Program. This scholarship is in memory of A.W. "Winn" Brindle who was President of the Wards Cove Packing Company and Columbia Wards Fisheries. It is funded by private donations and contributions from fisheries businesses in exchange for tax credits.

The loan funds are used to provide educational loans for full-time undergraduate or graduate study at accredited schools in the following degree or certificate programs: fisheries, fishery science, fishery management, seafood processing, food technology, and other closely related fields. Loans may be used for tuition and fees, books and supplies, room and board, and transportation costs. Interest charged is 8%. A 1994-95 status report for this program is attached.

A fisheries business is entitled to a credit of up to 5% of its business tax liability for contributions made during the tax year to the A.W. "Winn" Brindle Memorial Scholarship loan account. A tax credit may not be approved for more than 100% of a scholarship contribution. Total tax credits claimed for a tax year for capital expenditures and scholarship contributions may not exceed 50% of the taxpayer's business tax liability for that tax year.

To make a contribution to the scholarship fund:

Mail or deliver your contribution in the form of a check payable to the Winn Brindle Memorial Scholarship Loan Fund to the Alaska Commission on Postsecondary Education, 3030 Vintage Blvd., Juneau, AK 99801-7109. The check will be deposited in the Memorial Scholarship fund account at the Commission. Please remember that a donation must be received by our agency by December 31, 1994 to qualify as a credit for the 1994 tax year.

Attachment

A.W. "WINN" BRINDLE MEMORIAL SCHOLARSHIP LOAN PROGRAM
NOMINATION FORM

I would like to nominate the following Alaska resident to be considered for a scholarship loan under the A.W. "Winn" Brindle Memorial Scholarship Loan Program.

I believe this person would benefit from a scholarship loan to assist in the pursuit of a degree or certificate in a seafood industry or fisheries-related field of study.

Nominee's Name: _____

Address: _____

Phone No.: _____

Please write a brief statement about your relationship to the above individual and how long you have known him or her. Include the nominee's current or proposed educational plans and field of study if known.

Please circle one:

I will/~~will not~~ contribute to the A.W. "Winn" Brindle Memorial Scholarship Fund for the current tax year.

Signature

Printed Name

Title

Date

Business Name

Business Address

City and State

Business Phone

Return to:

Alaska Commission on Postsecondary Education
3030 Vintage Blvd.
Juneau, AK 99801-7109
(907) 465-6741

1994-1995 WINN BRINDLE MEMORIAL SCHOLARSHIP LOAN
STATUS REPORT

<u>Student</u>	<u>Institution</u>	<u>Field of Study</u>	<u>Degree</u>	<u>Amount</u>
Asplund, Brian	University of Alaska Fairbanks	Fisheries/Natural Resources Management	Bachelor's	\$ 5,000
Gold, Joseph	Texas A&M-Garviston	Marine Biology	Bachelor's	\$ 5,000
Horne, Ricky	Sheldon Jackson College	Fisheries	Bachelor's	\$16,550
Kruth, Jason	The Ocean Corporation	Commercial Diving	Certificate	\$16,800
Olson, Neil	University of Washington	Chemistry/Salmon Speciation	PHD	\$ 5,000
Stonesoner, Alice	University of Alaska Fairbanks	Fisheries	Bachelor's	<u>\$ 7,000</u>
				<u>\$55,350</u>
Amount Remaining in Account				\$1,018,155.77

Contributions

07/87 - 12/90		\$327,563.55
12/91	St. Elias Ocean Products	12,500.00
12/91	King Crab, Inc.	4,000.00
12/91	Ocean Beauty Alaska, Inc.	6,000.00
12/91	M/V Ocean Pride	25,000.00
12/91	King Crab, Inc.	30,000.00
12/91	Alyeska Seafoods, Inc.	38,400.00
12/91	Wards Cove Packing	76,500.00
12/91	Peter Pan Seafoods	120,000.00
12/92	J.R. Fisheries	300.00
12/92	Peter Pan Seafoods	160,000.00
12/92	Wards Cove Packing Company	100,000.00
12/92	Alyeska Seafoods, Inc.	32,300.00
12/92	King Crab, Inc. - Kodiak	20,000.00
12/92	King Crab, Inc. - Naknek	5,000.00
12/92	St. Elias Ocean Products	12,000.00
12/92	Chatham Strait Seafoods	6,000.00
12/92	M/V Ocean Pride	30,000.00
12/93	Wards Cove Packing Company, Ekuk	549.45
12/93	Nelbro Packing Company	26,875.76
12/93	Peter Pan Seafoods	160,000.00
12/93	Wards Cove Packing Company	80,000.00
12/93	Alyeska Seafoods, Inc.	39,000.00
12/93	King Crab, Inc. - Kodiak	25,000.00
12/93	King Crab, Inc. - Naknek	5,000.00
12/93	St. Elias Ocean Products	9,000.00
12/93	Chatham Strait Seafoods	9,000.00
12/93	M/V Ocean Pride	25,000.00
12/93	Queen Fishery	<u>20,000.00</u>
		\$1,405,988.76

Revenue Statute establishing tax credit
for A. W. Brindle program

Sec. 43.75.032. Tax credit for scholarship contributions. (a) A fisheries business is entitled to a credit of not more than five percent of the business tax liability under AS 43.75.015 for contributions made during the tax year to the A. W. "Winn" Brindle memorial scholarship account (AS 14.13.250). A tax credit under this section may not be approved for more than 100 percent of a scholarship contribution.

(b) The department may not approve a tax credit under this section if the fisheries business claiming the credit is in arrears in the payment of a fisheries business tax under AS 43.75.015; for purposes of this subsection, a taxpayer is not in arrears if the payment is under administrative or judicial appeal.

(c) The department shall prepare an application form for a credit under this section.

(d) The department shall approve or disapprove an application for credit under this section not later than 60 days after receiving the application. §§ 2, 3 ch 79 SLA (1986)

Effect of amendments. — The 1986 1986, effective January 1, 1992, reworded amendment by Section 3, ch. 79, SLA this section.

Revisor's notes. — Formerly AS 14.40.205. Renumbered in 1982.

Reorganized in 1985 to standardize the defined terms.

Paragraph (4) was enacted as (3). Renumbered in 1991, at which time former paragraph (2) was also deleted, and former paragraphs (3)-(4) were renumbered as (2)-(3).

Cross references. — For Title IV, Part B of the Higher Education Act of 1965, see 20 U.S.C. 1071-1087-2.

Effect of amendments. — The 1991 amendment, effective July 1, 1991, repealed former paragraph (2) and added paragraph (4).

Article 5. Memorial Scholarship Revolving Loan Fund.

Section	Section
250. Declaration of purpose	310. Selection
255. Fund created	315. Discrimination prohibited
300. Limits on, conditions of loans	320. Administering authority
305. Repayment of loans	325. Funding

Sec. 14.43.250. Declaration of purpose. (a) The legislature may pay tribute to the memory of Alaskans who, by the example of their lives, or by their distinguished contribution and service to this state, their community or their profession, exemplified the best that is the challenge of "The Great Land" by the creation of memorial scholarships as a part of a general memorial scholarship revolving loan fund, setting out the purpose for which each is created, and the conditions applicable to each scholarship.

(b) The purposes of the several memorial scholarship accounts in the memorial scholarship revolving loan fund are as follows:

(1) the Michael Murphy memorial scholarship perpetuates the memory of Michael Murphy, a member of the Alaska State Troopers, who, while on leave from that division, gave his life for his adopted country in Vietnam on May 22, 1968;

(2) the Carroil L. "Butch" Swartz memorial scholarship perpetuates the memory of Carroil L. "Butch" Swartz, of Juneau, who was a student intern with the Criminal Justice Planning Agency and the Governor's Commission on the Administration of Justice during the summer months of 1972 and 1973 and whose accidental and untimely death in November 1973 occurred while completing his undergraduate education at Yale University, thus never realizing his educational goals or career objective;

(3) the Harvey Golub memorial scholarship perpetuates the memory of Harvey Golub, of Juneau, who was chief engineer of the bridge design section of the Department of Highways of the State of Alaska and whose accidental and untimely death September 13, 1971, cut short a widely-respected career in civil engineering;

(4) the Robert L. Thomas memorial scholarship perpetuates the memory of Robert L. Thomas, of Juneau, who as Deputy Commissioner of Education, and for 13 years as a member of the professional staff of that department contributed significantly to the creation, op-

eration, and administration of a sound system of public education in Alaska and whose tragic and untimely death March 12, 1974, terminated a distinguished career in education and public administration that long will be exemplary for those who aspire to service in that profession:

* 5) the A.W. (Winn) Brindle memorial scholarship loan perpetuates the memory of A.W. (Winn) Brindle, who was the president of the Wards Cove Packing Company and Columbia-Wards Fisheries and whose death July 4, 1977, terminated a distinguished career dedicated to the development of the Alaska seafood industry; and

6) the Nick Begich memorial scholarship perpetuates the memory of Nick Begich, teacher and school superintendent at Fort Richardson, father of the Alaska kindergarten program, state senator, and member of the United States House of Representatives, whose accidental and untimely death in October of 1972 cut short a productive and distinguished career in education and public service. (§ 21 ch 136 SLA 1974; am § 1 ch 78 SLA 1986; am § 1 ch 13 SLA 1991)

Revisor's notes. — Formerly AS 14.40.510. Renumbered in 1982. in subsection (b), added paragraph (6) and made punctuation and related stylistic changes.

Effect of amendments. — The 1991 amendment, effective September 3, 1991.

Sec. 14.43.255. Fund created. (a) There is created a memorial scholarship revolving loan fund. The fund shall be used to provide educational scholarship loans to students selected under AS 14.43.250 — 14.43.325. Unless the instrument evidencing the memorial scholarship loan has been sold or assigned to the Alaska Student Loan Corporation, repayments of a loan shall be deposited into the memorial scholarship revolving loan fund and shall be used to make new loans.

(b) Each memorial scholarship, the purpose of which is set out in AS 14.43.250(b), is a separate account in the memorial scholarship revolving loan fund created under (a) of this section.

(c) The commission may sell or assign notes and other instruments evidencing memorial scholarship loans to the Alaska Student Loan Corporation and enter into agreements with the corporation relating to loans, the administration of the student loan fund created under AS 14.42.210, and the payment of and security for bonds of the corporation. Proceeds from the sale or assignment of a note or other instrument shall be deposited in the appropriate memorial scholarship loan fund account. (§ 21 ch 136 SLA 1974; am § 2 ch 78 SLA 1986; am §§ 11, 12 ch 92 SLA 1987; am § 18 ch 43 SLA 1991)

Revisor's notes. — Formerly AS 14.40.815. Renumbered in 1982. section (c), substituted "the commission" for "the Student Financial Aid Committee

Effect of amendments. — The 1991 amendment, effective July 1, 1991, in sub-

created under AS 14.43.095."

Sec. 14.43.300. Limits on, conditions of loans. (a) A scholarship loan to a recipient under AS 14.43.250(b)(1) — (4) or (6) may not exceed \$2,500 a school year for an undergraduate student or \$5,000 a school year for a graduate student, and may not be made to a student for more than six years. A scholarship loan to a recipient under AS 14.43.250(b)(5) may not exceed the cost of tuition and required fees, books and educational supplies, room and board, and transportation for two round trips between the recipient's home and school each year. A loan under AS 14.43.250(b)(5) may not be made for more than five years of undergraduate study, five years of graduate study, or a combined maximum of eight years of study.

(b) A loan made under AS 14.43.250 — 14.43.325 may be used only as follows:

(1) a Michael Murphy memorial scholarship loan may be used only to pursue a degree program in an accredited college or university in law enforcement, law, probation and parole, or penology, or closely related fields;

(2) a Carroll L. "Butch" Swartz memorial scholarship loan may be used only to pursue a degree program in an accredited college or university in criminal law, criminology, corrections, police science and administration, juvenile justice, or other fields closely related to criminal justice;

(3) a Harvey Golub memorial scholarship loan may be used only to pursue a degree program in an accredited college or university in civil, mechanical, electrical, electronic, petroleum, mining, traffic and transportation, sanitary, chemical, or other recognized field of engineering;

(4) a Robert L. Thomas memorial scholarship loan may be used only to pursue a degree program in an accredited college or university that will lead to a career in education or public administration, or other closely related field;

(5) an A.W. (Winn) Brindle memorial scholarship loan may be used only to pursue a certificate or degree program in an accredited school, college, or university in fisheries, fishery science, fishery management, seafood processing, food technology, or other closely related field; and

(6) a Nick Begich memorial scholarship loan may be used only to pursue a degree program in an accredited college or university that will lead to a career in education, public administration, government, or other closely related field.

(c) The recipient of a memorial scholarship loan must be a resident of Alaska and enrolled or eligible for enrollment as a full-time student in a certificate or degree program in a field listed in (b) of this section that is appropriate to the memorial scholarship loan received.

1) The recipient must at all times continue to be enrolled as a full-time student in good standing at an accredited postsecondary institution that is appropriate to the memorial scholarship received.

e) In any year in which the memorial scholarship revolving loan fund created under AS 14.43.255 has inadequate receipts to fund a loan in one of the scholarship categories listed in AS 14.43.250(b), no loan in that scholarship category may be offered and the receipts shall be added to the amount available for that category in the succeeding year.

f) The administering authority may provide conditions in the note signed by the recipient or in a separate document or communication that will help it carry out the provisions of AS 14.43.250 -- 14.43.325.

§ 21 ch 136 SLA 1974; am § 3 — 5 ch 75 SLA 1986; am § 3 ch 168 SLA 1990; am § 2, 3 ch 13 SLA 1991

Revisor's notes. — Formerly AS 14.43.320. Renumbered in 1982.

Effect of amendments. — The 1990 amendment, effective June 22, 1990, substituted the language beginning "postsecondary institution" for "college or university" at the end of subsection d).

The 1991 amendment, effective September 3, 1991, in subsection a), inserted "or 5)" in the first sentence; and, in subsection b), added paragraph 5) and made related stylistic changes.

Sec. 14.43.305. Repayment of loans. a) Memorial scholarship loans under AS 14.43.250(b)(1) — (4) or (6) shall be noninterest-bearing and security for the loan may not be required. However, the note signed by the recipient shall provide for the payment of attorney fees, costs of court, and skip-tracing fees if any are incurred in collection of the unpaid amount owed on the loan.

b) No part of a loan made under AS 14.43.250 — 14.43.325 need be repaid during an academic year in which the student is attending an accredited college or university as a full-time student.

c) Loans may be repaid at an accelerated rate at the option of the recipient.

d) If a loan is in default, the administering authority shall notify the recipient that repayment of the remaining balance is accelerated and due by sending the recipient a notice of registered or certified mail.

e) A recipient of a memorial scholarship loan under AS 14.43.250(b)(1) — (4) or (6) who graduates from a degree program shall receive forgiveness of one-fifth of loan indebtedness for each one-year period the recipient is employed full time in Alaska in

(1) law-enforcement or related fields, if a recipient of a Michael Murphy memorial scholarship loan;

(2) criminal law, criminal justice, or other closely related fields, if a recipient of a Carroil L. "Butch" Swartz memorial scholarship loan;

(3) a recognized branch of the engineering profession or other closely related fields, if a recipient of a Harvey Golub memorial scholarship loan;

(4) education or public administration, or other closely related field, if a recipient of a Robert L. Thomas memorial scholarship loan; or

(5) education, public administration, government, or other closely related field, if a recipient of a Nick Begich memorial scholarship loan.

(f) That portion of the loan that is forgiven under (e) of this section shall be considered a grant to the recipient.

(g) A recipient who does not qualify for forgiveness of all or a part of the loan made under AS 14.43.250(b)(1) -- (4) or (5) shall begin repayment of the unforgiven portion within six months after leaving employment or terminating studies in

(1) law enforcement or related fields, if a recipient of a Michael Murphy memorial scholarship loan;

(2) criminal law, criminal justice, or other closely related fields, if a recipient of a Carroil L. "Butch" Swartz memorial scholarship loan;

(3) a recognized branch of the engineering profession or other closely related fields, if a recipient of a Harvey Golub memorial scholarship loan;

(4) education or public administration, or other closely related field, if a recipient of a Robert L. Thomas memorial scholarship loan; or

(5) education, public administration, government, or other closely related field, if a recipient of a Nick Begich memorial scholarship loan.

(h) The unforgiven portion of a loan under (g) of this section shall be repaid in an amount, and at a monthly rate, to be determined by the administering authority after consultation with the recipient, but in any event not less than \$50 a month.

(i) To the extent they are not in conflict with terms and conditions under AS 14.43.250 -- 14.43.325, the terms and conditions of a memorial scholarship loan made under AS 14.43.250(b)(5) are the same as the terms and conditions for a scholarship loan under AS 14.43.090 -- 14.43.160, § 21 ch 136 SLA 1974; am §§ 6 -- 9 ch 73 SLA 1986; am §§ 4 -- 6 ch 13 SLA 1991)

*A. W. Brink
copy*

Revisor's notes. -- Formerly AS 14.40.825. Renumbered in 1982. In subsections (a), (e), and (g), inserted "or (6)"; and, in subsections (e) and (g), added

Effect of amendments. -- The 1991 amendment, effective September 3, 1991, paragraph (5) and made related stylistic changes.

Sec. 14.43.310. Selection. (a) In selecting from among eligible applicants a person who will be granted a loan under AS 14.43.250 -- 14.43.325, the administering authority shall consider the following:

- (1) the applicant's career goals and aspirations;
- (2) the applicant's prior academic record;

3) the financial need of the applicant; and
 4) other items that may be considered relevant by the administering authority to determine whether an applicant will receive a loan.
 b) To assist the administering authority in selecting eligible applicants for award of each of the memorial scholarship loans under AS 14.43.250 — 14.43.325 and in reviewing the memorial scholarship loan program, the following advisory committees are established:

1) three Alaska state troopers, each one to be selected from and to represent a state trooper region of the state by the regional commander to serve for three years, for the Michael Murphy memorial scholarship;

2) three members of the Governor's Commission on the Administration of Justice selected annually by the commission from among its membership, for the Carrol L. "Butch" Swartz memorial scholarship;

3) three members of the state Board of Registration for Architects, Engineers and Land Surveyors selected annually by the board from among its engineer members, for the Harvey Golub memorial scholarship; and

4) three members of the state Board of Education, or of the staff of the Department of Education, or any combination of these, selected annually by the board, for the Robert L. Thomas memorial scholarship.

LA
 c) In selecting from among eligible applicants for award of a memorial scholarship loan under AS 14.43.250(b)(5), the administering authority shall give preference to applicants nominated by private donors to the A.W. (Winn) Brindie memorial scholarship loan account in the memorial scholarship revolving loan fund.

d) In selecting from among eligible applicants for award of a memorial scholarship loan under AS 14.43.250(b)(6), the administering authority shall give preference to applicants nominated by the board members of the Nick Begich Scholarship Intern Fund, Inc. (§ 21 ch 136 SLA 1974; am § 10 ch 78 SLA 1986; am § 7 ch 13 SLA 1991)

Revisor's notes. — Formerly AS 14.40.330. Renumbered in 1982. Effect of amendments. — The 1991 amendment, effective September 3, 1991, added subsection d).

Sec. 14.43.315. Discrimination prohibited. The memorial scholarship loan program shall be carried out without regard to the race, creed, sex, color, ancestry, national origin, or membership in fraternal or political organizations of the applicant. (§ 21 ch 136 SLA 1974)

Revisor's notes. — Formerly AS 14.40.335. Renumbered in 1982. Cross references. — See also AS 14.18 and AS 18.90.

Sec. 14.43.320. Administering authority. (a) The memorial scholarship loans provided for under AS 14.43.250 — 14.43.325 shall be administered by the executive director of the commission, subject to review by the commission and to those regulations the commission may prescribe to carry out the purposes of AS 14.43.250 — 14.43.325.

b) To the extent that they are not in conflict with the provisions of AS 14.43.250 — 14.43.325, the provisions of AS 14.43.090 — 14.43.160 relating to scholarship loans are applicable to loans made under AS 14.43.250 — 14.43.325. (§ 21 ch 136 SLA 1974; am § 19 ch 43 SLA 1991)

Revisor's notes. — Formerly AS 14.40.540. Renumbered in 1982.

Effect of amendments. — The 1991 amendment, effective July 1, 1991, in sub-section (a), substituted "director" for "secretary" and references to the commission for references to the Student Financial Aid Committee.

Sec. 14.43.325. Funding. (a) The memorial scholarship revolving loan fund created under AS 14.43.255 shall be funded by voluntary contributions by state employees who may contribute the value of one or more days of annual leave a year to the memorial scholarship revolving loan fund to be credited to any one or more of the scholarship accounts listed in AS 14.43.250(b) at the discretion of the donor.

(b) The Department of Administration shall pay to the account of the memorial scholarship revolving loan fund established under AS 14.43.255 an amount equal to the value of the total number of days of annual leave contributed by state employees under (a) of this section.

c) The administering authority may accept contributions from private sources for the memorial scholarship revolving loan fund created under AS 14.43.255. These contributions shall be deposited in the memorial scholarship revolving loan fund created under AS 14.43.255 to be credited to any one or more of the scholarship accounts listed in AS 14.43.250(b) at the discretion of the donor. For the purpose of this subsection, "private sources" means private individuals, corporations, foundations, or other philanthropic or charitable organizations. (§ 21 ch 136 SLA 1974)

Revisor's notes. — Formerly AS 14.40.845. Renumbered in 1982.

Article 6. Educational Incentive Grant Program.

Section
400. Purpose; creation
405. Administration
410. Distribution of funds

Section
415. Eligibility; priority
420. Limitation on grants
500. Definitions

FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO. SB 36

2/8/95 #1
(S) HES
THEN FIN

Revision Date: _____ Dept. Affected: EDUCATION
Title: An Act relating to interest on and repayment BRU: ACPE
of A.W. Brindle memorial scholarship loans; and providing Component: Student Loan Operations
for an effective date.

Sponsor: Senator Zharoff
Requestor: Senator Zharoff COMPONENT SERIAL NO. 213

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY96	FY97	FY98	FY99	FY00	FY01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL						
---------	--	--	--	--	--	--

REVENUE FUND SOURCE:						
----------------------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other:						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY95) impact: \$ _____ \$0

ANALYSIS: (Attach a separate page if necessary)
The A.W. Brindle Memorial Scholarship Loan Program is funded by private donations and contributions from fisheries businesses in exchange for tax credits. The number of loans awarded each year is based on the amount of contributions made to the loan fund. Forgiveness of this loan and lower interest rates on this loan, which would result from passage of SB 36, would come from this privately funded loan fund.

Prepared by: Gillian R. Hays
Division: ACPE
Approved by Executive Director: Joe J. McLaughlin
Agency: ACPE

Phone: 465-6740
Date: 3-Feb-95
Date: 2/3/95

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SENATE COMMITTEE REPORT

First Committee of Referees

gmk DATE: 1/17/95

FURTHER: Finance

Date of 5-Day Notice: 1/30/95
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 2-8-95

HESS Committee considered SB 36

~~Relating to interest on and repayment of A.W. Brindle memorial scholarship loans; ~~and~~~~

and recommends:

- be replaced with _____ CS SB 36 (HES)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to the _____ Committee

Senate Bill: same title
 new title
 House Bill: technical change
 new: SCR# _____

DFN

SIGNING WITH RECOMMENDATIONS: <i>ALL OP</i>	DP	DNP	NR	AM
<i>Mike Miller</i>	✓			
<i>John Sellers</i>	✓			
<i>Joseph E. Sals</i>	✓			
CHAIR: <i>Lynne Green</i>	✓			

NEW FISCAL NOTE(S):

Department	Date	Zero	Fiscal
<i>DOE - ACPE</i>	<i>2/3/95</i>	✓	

PREVIOUS FISCAL NOTE(S):*

Department	Date	Zero	Fiscal

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

SB

37

SFIN

FILE

STATE OF ALASKA

TONY KNOWLES, GOVERNOR

DEPT. OF HEALTH AND SOCIAL SERVICES

P.O. BOX 110540
JUNEAU, ALASKA 99811-0540
PHONE: (907) 465-3347

DIVISION OF PUBLIC ASSISTANCE

March 6, 1996

The Honorable Rick Halford
Senator
State Capitol
RM 508
Juneau, AK 99801-1182

Dear Senator Halford:

In last Tuesday's meeting of the Senate Finance Committee, you made several requests for information regarding the Senate Finance Committee Substitute for Senate Bill 37 (PFD Hold Harmless). This letter completes our response to your requests.

1. *You requested updated fiscal notes for the Committee Substitute adopted by the Finance Committee.*

We transmitted the requested fiscal notes to the committee earlier this week. You will find a fiscal note summary spreadsheet enclosed.

2. *You asked for a detailed breakdown on how PFD Hold Harmless funds are used.*

As we indicated in our testimony last week, some PFD Hold Harmless funds are paid out directly as hold harmless benefits and some are transferred to other budget components. PFD Hold Harmless funds for the replacement of federal Supplemental Security Income benefits are transferred to the Social Security Administration. The breakdown you requested follows:

PFD Hold Harmless Component
FY 97 Governor's Budget: Expenditure Summary

AFDC benefit replacement (Transferred as IA Receipts to AFDC Component)	12,100.0
Food Stamp replacement (Paid directly to recipients from PFD HH Component)	3,624.1

The Honorable Rick Halford

March 6, 1996

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Adult Public Assistance benefit replacement (Transferred as IA Receipts to APA Component)	2,644.0
Supplemental Security Income benefit replacement (Paid to Social Security Administration to reimburse SSI costs)	1,790.0
Medicaid benefit replacement (Transferred as IA Receipts to Medicaid PFD HH Component)	1,100.0
Hold Harmless program administration (Transferred as IA receipts to Eligibility Determination Component)	480.5
PFD HH Component - Total FY 97	21,738.6

3. *You asked about the statutory authority for the expenditure of PFD Hold Harmless funds.*

Authority to appropriate money from the Permanent Fund Dividend Fund to pay PFD Hold harmless costs is found at AS 43.23.025(a)(1)(E) (copy enclosed).

General authority for the PFD Hold Harmless program is found at AS 43.23.075 (copy enclosed). This section authorizes PFD Hold Harmless coverage of both public assistance and medical assistance benefits.

You asked specifically for the statutory authority for the replacement of federal Food Stamp and Supplemental Security Income program benefits with PFD hold harmless benefits. The referenced statute does not specifically name the programs covered by the hold harmless provision.

The authority for Food Stamp and SSI replacement is grounded in legislative history. The Division of Legislative Audit issued a report on the PFD Hold Harmless program in October 1993 (ref.: Audit Control Number 06-4457-94) that documents the intent of the original PFD Hold Harmless legislation to protect federal SSI and Food Stamp benefits, as well as AFDC, Adult Public Assistance, and Medicaid benefits.

4. *You asked if there is any automatic mechanism that prorates PFD Hold Harmless payments.*

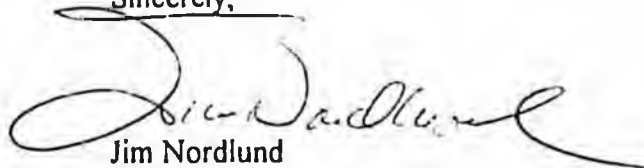
In general, PFD Hold Harmless program costs are a function of the costs of the formula program benefits replaced by Hold Harmless benefits, automatically rising and falling with the costs of the protected programs.

The Honorable Rick Halford
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There is no statutory proration authority applicable to the PFD Hold Harmless program; in fact, statutory language prohibits PFD HH benefit proration. The PFD Hold Harmless statute provides that individuals who become ineligible for public assistance because of receipt of a dividend is: "entitled to receive, for a period not to exceed four months, the same amount the individual would have received under other public assistance programs if there had been no permanent fund dividend program." Similar language creates an entitlement to full replacement of Medicaid benefits. This language precludes any direct proration of Hold Harmless benefits.

I trust that this correspondence satisfies your requests for information. If you require any clarification or expansion on the information provided here, please contact Curt Lomas, of my staff at 465-3382.

Sincerely,

A handwritten signature in cursive script, appearing to read "Jim Nordlund".

Jim Nordlund
Director

Enclosures

PFD HOLD HARMLESS Program
Fiscal Note Summary CSSB 37 (Fin)
3/6/96

BRU Budget Component(s)

PFD Hold Harmless component	FY97	FY98	FY99	FY00	FY01	FY02
DPA						
PFD-HH for AFDC	(12,100.0)	(12,100.0)	(12,100.0)	(12,100.0)	(12,100.0)	(12,100.0)
PFD-HH for Food Stamps	(3,624.1)	(3,805.3)	(3,995.6)	(4,145.3)	(4,405.1)	(4,625.4)
PFD-HH for Medicaid	(1,100.0)	(1,100.0)	(1,100.0)	(1,100.0)	(1,100.0)	(1,100.0)
PFD-HH administration	(422.8)	(435.5)	(448.5)	(462.0)	(475.9)	(490.1)
Total PFD-HH Component	(17,246.9)	(17,440.8)	(17,644.1)	(17,807.3)	(18,081.0)	(18,315.5)
Funding Source:						
PFD Fund	(17,246.9)	(17,440.8)	(17,644.1)	(17,807.3)	(18,081.0)	(18,315.5)

Services components

DPA	AFDC Component	(12,100.0)	(12,100.0)	(12,100.0)	(12,100.0)	(12,100.0)	(12,100.0)
DMA	Medicaid PFD HH	(1,100.0)	(1,100.0)	(1,100.0)	(1,100.0)	(1,100.0)	(1,100.0)
DMA	Medicaid Services	660.0	660.0	660.0	660.0	660.0	660.0
DPA	Eligibility Determination	120.7	100.7	100.7	100.7	100.7	100.7
DPA	General Relief Assistance	706.1	741.4	778.5	817.4	858.3	901.2
	Total Services Components	(11,713.2)	(11,697.9)	(11,660.8)	(11,621.9)	(11,581.0)	(11,538.1)
	Funding Sources:						
	Federal Receipts	390.3	380.3	380.3	380.3	380.3	380.3
	General Fund Match	390.4	380.4	380.4	380.4	380.4	380.4
	General Fund	1,128.9	1,176.9	1,227.0	1,279.4	1,334.2	1,391.3
	Inter-Agency Receipts (IA)	(13,622.8)	(13,635.5)	(13,648.5)	(13,662.0)	(13,675.9)	(13,690.1)
	(IA from the PFDHH component)						
	Funding Source sub-total	(11,713.2)	(11,697.9)	(11,660.8)	(11,621.9)	(11,581.0)	(11,538.1)

Total all Components (Fund Sources)

All Funding Sources:							
PFD Fund	(17,246.9)	(17,440.8)	(17,644.1)	(17,807.3)	(18,081.0)	(18,315.5)	
Federal Receipts	390.3	380.3	380.3	380.3	380.3	380.3	
General Fund Match	390.4	380.4	380.4	380.4	380.4	380.4	
General Fund	1,128.9	1,176.9	1,227.0	1,279.4	1,334.2	1,391.3	
Inter-Agency Receipts (IA) *	(13,622.8)	(13,635.5)	(13,648.5)	(13,662.0)	(13,675.9)	(13,690.1)	

* Note: The reduction in interagency receipts is duplicated in the reduction of PFD fund.

igibility. (a) The
Administrative Pro-
of individuals for
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ommissioner shall
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idual's spouse may
missioner in deter-

an application form
cation must include
3.035 and contain a
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may be provided by
lual must personally
t, including the certi-
section.

ncy of an unemanci-
abled or an incompe-
s parent, legal guard-

i dividend on behalf of
dividend in trust for
s subsection shall be
with AS 37.10.070.

it individual may not
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ion of the department
rmanent fund dividend
nent fund dividend on
at decision to the supe-

An appeal under this
al to a trial de novo. The
ministrative proceeding
appeal is limited to mat-
strative proceeding.

is of AS 43.23.035 apply
nd dividend on behalf of
59 SLA 1988; am § 4 ch

107 SLA 1989; am §§ 2, 3 ch 68 SLA 1990; am § 47 ch 21 SLA 1991;
am § 2 ch 68 SLA 1991; am §§ 10, 11 ch 4 SLA 1992)

Effect of amendments. — The first
1990 amendment, effective June 11, 1991,
in subsection (b), substituted "12 months"
for "24 months" near the beginning of the
third and fourth paragraphs.

The second 1991 amendment, effective
July 1, 1991, made the same changes as
the first and inserted "unless this require-
ment has been waived under AS
43.23.005(f)" in two places.

The 1992 amendment, effective Janu-
ary 1, 1993, added the last two sentences
in subsection (a) and rewrote subsection
(b).

Editor's notes. — Under § 20, ch. 4,
SLA 1992, the amendment to (a) of this
section made by § 10, ch. 4, SLA 1992, is
retroactive to January 1, 1992.

NOTES TO DECISIONS

Extension of filing time denied. —
Department of revenue ruling that an ex-
tension of time for filing an application for
a permanent fund dividend was not avail-
able because the information submitted in
the original application was deceptive was
reasonable and not arbitrary, where ap-
plicant submitted false residency verifica-
tions containing forged signatures. *Hand-
ley v. State, Dep't of Revenue, 838 P.2d
1231 (Alaska 1992).*

**Prohibiting permanent fund distri-
bution to illegal aliens.** — An adminis-
trative regulation, which restricted per-

manent fund dividend eligibility to aliens
with resident alien or refugee status, fell
within the delegated authority of the com-
missioner of revenue to regulate the eligi-
bility of individuals for permanent fund
dividends. The regulation was also consti-
tutional under the state and federal equal
protection clauses. Limiting the distribu-
tion of dividends to those who are lawful
permanent residents is rationally related
to legitimate objectives of the dividend
program. *State, Dep't of Revenue v. Cosio,
858 P.2d 621 (Alaska 1993).*

Sec. 43.23.016. Voter registration. The commissioner shall in-
clude voter registration forms prepared under AS 15.07.070(b) with
permanent fund dividend applications. (§ 1 ch 48 SLA 1992)

Effective dates. — Section 2, ch. 48,
SLA 1992 makes this section effective on
January 1, 1993.

Legislative history reports. — For
legislative letter of intent and request for

report in connection with the enactment
of this section by § 1, ch. 48, SLA 1992
(CSSB 362(STA)(title am)), see 1992 Sen-
ate Journal, p. 2053.

Sec. 43.23.025. Amount of dividend. (a) By October 1 of each
year the commissioner shall determine the value of each permanent
fund dividend for that year by

(1) determining the total amount available for dividend payments,
which equals

(A) the amount of income of the Alaska permanent fund transferred
to the dividend fund under AS 37.13.145(b) during the current year;

(B) plus the unexpended and unobligated balances of prior fiscal
year appropriations that lapse into the dividend fund under AS
43.23.045(d);

(C) less the amount necessary to pay dividends from the dividend
fund in the current year under AS 43.23.055(3) and (7);

