

ALASKA LEGISLATURE COMMITTEE FILES 1985-1986 8672

3514 HLAB HB 535 - HB 544

390



RECORDS CERTIFICATION

I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James O. Smith
Signature of Camera Operator

9/5/89
Date

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HOUSE
COMMITTEE REPORT

STATE AFFAIRS

(7)
Date referred: 1/31/86

FURTHER REFERRALS: JUDICIARY

DATE: 3/3/86

The LABOR & COMMERCE Committee has considered HB 535

"An Act relating to the registration of motor vehicles."

and recommends:

- do pass
- do not pass
- do pass with attached amendment(s)
- no recommendation
- replace with _____ same title
- _____ new title

and recommends _____

further referral to the _____ Committee

- and attaches:
- letter of intent
 - first fiscal note
 - new fiscal note
 - zero fiscal note

SIGNING DO PASS:

SIGNING OTHER RECOMMENDATIONS:

George H. ... *Assuming revision of fiscal note.*

Don ...

Mike ... (no rec)

Steve Koponen (amend to require sticker)

Mike Davis BILL NEEDS WORK

Lyndell no rec

Mike ...
Chairman

HOUSE
COMMITTEE REPORT

(7)

Date referred: 4/9/86

FURTHER REFERRALS: JUDICIARY

DATE: Apr 16, 1986

The LABOR & COMMERCE Committee has considered HJR 73
Relating to national regulation of the insurance industry.

and recommends:

- do pass
- do not pass
- do pass with attached amendment(s)
- no recommendation
- replace with CS HJR 73 same title
- new title

and recommends _____

further referral to the _____ Committee

- and attaches:
- letter of intent
 - first fiscal note
 - new fiscal note
 - zero fiscal note

SIGNING DO PASS:

Mike Hawans

Mike Lewis

SIGNING OTHER RECOMMENDATIONS:

D/C Barber no rec

Spencer no rec

Russ Izaac, No Rec

George Stanley - No Rec

Mike Hawans
Chairman

**STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE**

Revision Date: _____

REQUEST

Bill/Resolution No.: HJR 73
 Title: Relating to national regulation of the insurance industry
 Sponsor: Labor & Commerce Committee
 Requester: _____
 Date of Request: _____

FISCAL DETAIL

Agency Affected: Commerce & Economic Development
 BRU: Insurance
 Components: Public Protection

EXPENDITURES / REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
---------	-----	-----	-----	-----	-----	-----

REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
---------	-----	-----	-----	-----	-----	-----

FUNDING: (Thousands of dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULLTIME	-0-	-0-	-0-	-0-	-0-	-0-
PARTTIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary.

Prepared by: John L. George, Director
 Division: Division of Insurance
 Approved by Commissioner: Loren H. Lounsbury
 Agency: Commerce and Economic Development

Phone: 465-2515
 Date: April 23, 1986
 Date: April 23, 1986

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

HOUSE
COMMITTEE REPORT

(7)

Date referred: 3/16/86

FURTHER REFERRALS: FINANCE

DATE: 4/7/86
HJR 65

The LABOR & COMMERCE Committee has considered

Relating to foreign marketing of Alaska pink salmon products.

and recommends:

- do pass
- do not pass
- do pass with attached amendment(s)
- no recommendation
- replace with CS HJR 65 (Res) same title
- new title

and recommends _____

further referral to the _____ Committee

- and attaches:
- letter of intent
 - first fiscal note
 - new fiscal note
 - zero fiscal note

SIGNING DO PASS:

SIGNING OTHER RECOMMENDATIONS:

Mike Savane

Mike Lyman

Mike Lyman

Deja Brubaker

Gregory Wallis

Mike Lyman

Mike Savane
Chairman

HOUSE
COMMITTEE REPORT

4

(7)

Date referred: 4/9/86

FURTHER REFERRALS: JUDICIARY

DATE: Apr 16, 1986

The LABOR & COMMERCE Committee has considered HJR 73

Relating to national regulation of the insurance industry.

and recommends:

- do pass
- do not pass
- do pass with attached amendment(s)
- no recommendation
- replace with CS HJR 73 same title
- new title

and recommends NO REC

further referral to the _____ Committee

- and attaches:
- letter of intent
 - first fiscal note
 - new fiscal note
 - zero fiscal note new

SIGNING DO PASS:

SIGNING OTHER RECOMMENDATIONS:

Mike Savano

Mike Davis

Pat Buchanan - no rec

Robert M. ... no rec

... No Rec

... No Rec

Mike Savano
Chairman

DEPARTMENT OF PUBLIC SAFETY

POSITION PAPER - HB 535

Oppose

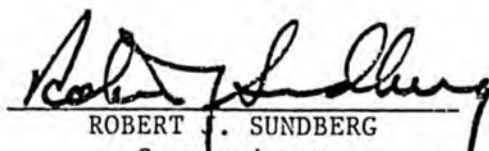
February 13, 1986

HB 535. An Act relating to the registration of motor vehicles.

Requiring proof of insurance at the time of registration will impact DMV at it's field offices. The time involved in the registration process will increase. Such work increases will create long lines at major field offices.

The cost of the extra workload could be justified if the program were extremely effective, but the experience of other states has shown that this is not the case. It is very easy for a person to obtain a binder, register a vehicle, and then immediately cancel the policy without making even one payment. States with this type of requirement estimate that between 3 and 10 percent of their registered vehicles are uninsured.

The mandatory insurance bill which passed the 1984 Legislature has been in effect for the past year. An evaluation of that program December 31, 1985, shows the numbers of uninsured motorists in Alaska is at 8.88%. This number is within the range achieved by other states having programs similar to this bill. Consequently it appears that through the mandatory insurance program we have already achieved what we would expect this bill to accomplish.


ROBERT J. SUNDBERG
Commissioner

STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date : _____

REQUEST

Bill/Resolution No. : HB-535
 Title : An Act relating to registration of motor vehicles
 Sponsor : Rieger, et al.
 Requestor : H. Labor & Commerce
 Date of Request : 2/13/86

FISCAL DETAIL

Agency Affected : Public Safety
 BRU : Life and Property Protection Division of Motor Vehicles
 Components : _____

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		190.2	199.7	209.7	220.2	231.2
TRAVEL		2.5	2.6	2.7	2.8	2.9
CONTRACTUAL		115.3	70.2	73.7	77.4	81.3
SUPPLIES		3.0	3.2	3.4	3.6	3.8
EQUIPMENT		2.7				
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		313.7	275.7	289.5	304.0	319.2

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

REVENUE						
---------	--	--	--	--	--	--

FUNDING : (Thousands of Dollars)

GENERAL FUND		313.7	275.7	289.5	304.0	319.2
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS :

FULL-TIME		6	6	6	6	6
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

- Each year's increase represents 5% over previous years.
- One time charges for counter modifications, DP programming, and CRT installations are not included in subsequent year's totals for contractual (48.4).
- Equipment one time charge. (continued on attached pages.)

Prepared by : George Gaguzis, Accounting Supervisor Phone : 269-5574
 Division : Motor Vehicles Date : 2/10/86

Approved by Commissioner : [Signature] Date : 2/14/86
 Agency : Public Safety

Distribution (by Agency preparing fiscal note) :

Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

There are approximately 450,000 motor vehicles for which proof of insurance will be required. Prior to registration, the reviewing and processing of the insurance papers will require additional time. Approximately 20-30% of these vehicles will initially be refused registration because the owner does not have proper proof of insurance. This will require a second trip to division offices when proper proof is ultimately obtained.

71000 PERSONAL SERVICE

<u>Anchorage</u>		
4 MVR II, Range 9	123.2	
<u>Fairbanks</u>		
2 MVR II, Range 9	<u>67.0</u>	
Total Personal Services		190.2

72000 TRAVEL

Travel & per diem for field office training sessions	2.5	
Total Travel		2.5

73000 CONTRACTUAL

73100 Professional Services		
Counter modifications to accomodate 6 additional employee work stations	12.0	
1 DP Program modification	36.2	
CRT installation	<u>.2</u>	
73100 Total		48.4
73300 Communications		
Postage		
Return mailing for incorrect renewals	22.5	
General correspondence	2.5	
Telephones & toils	<u>3.1</u>	
73300 Total		28.1
73500 Promotion & Advertising		
Forms	1.5	
Advertising (informing public)	<u>5.0</u>	
73500 Total		6.5
73700 DP line charges for 6 terminals @ 2,000/year each	12.0	
CRT maintenance @ 900/year each	<u>5.4</u>	
73700 Total		17.4

73860	Equipment Lease		
	6 CRT Terminals @ 206/month each	14.9	
73860	Total		14.9
	Total Contractual		115.3
74000	SUPPLIES		
74220	Normal office supplies, computer paper, etc.	3.0	
	Total Supplies		3.0
75025	EQUIPMENT		
76050	Furniture		
	File cabinets, 2 @ 308.66	.6	
	Chairs (stools) 6 @ 350.00	<u>2.1</u>	
76050	Total		2.7
	Total Equipment		2.7
	TOTAL FY-87 REQUEST		313.7

Position Title Motor Vehicle Representative II			No. of Positions 2	Range/Step 9E	Barg. Unit GCU	Gov.	Approv.	Disapp.	
Time Status PFT	Staff Months .24	RP Number	Location Fairbanks		Election District	Leg.			
Type of Expenditure			Justification						
		Amount	<p>These positions would work the public counter to issue motor vehicle registrations and titles.</p> <p>Assist the public by responding to inquiries concerning motor vehicle insurance requirements.</p>						
1	2	3							
Salary	48,696								
Benefits	12,174								
Premium Pay									
Other	6,054								
Total Personal Services		67.0							
Travel									
Contractual		18.8							
Commodities		.4							
Equipment		1.0							
Other									
Total Cost		87.2							
Receipt Code	Funding Source								
	Federal Receipts	1002							
	G. F. Match	1003							
	General Funds	1004							87.2
	I-A Receipts	1005							
	Program Receipts	1028							
	CIP Receipts	1061							
	Other								
For B&M Use Only Key Number _____									

**Request For
New Position**

Agency Department of Public Safety
 BRU Division of Motor Vehicles
 Component Field Services

Page 5 of 5
 Revised Date _____

FY 87

Alaska State Legislature

House of Representatives

PO BOX 110623
ANCHORAGE ALASKA 99511

WHILE IN JUNEAU
POUCH V
JUNEAU ALASKA 99801
(907) 465-3464

REPRESENTATIVE STEVE RIEGER
DISTRICT 8, SEAT B

MEMBER
FINANCE COMMITTEE

MEMORANDUM

TO: Representative Steve Rieger
FROM: William Lovell and Lisa J. Rubenstein
DATE: February 10, 1985
RE: HB 535, "An Act relating to the registration of motor vehicles"

Pursuant to your request, I have prepared this sectional analysis of House Bill 535 referenced above.

SECTION 1

Section 1 amends the procedure for motor vehicle registration. It requires the vehicle owner to show proof of insurance coverage as set forth in AS 28.22.010 or to produce a certificate of self-insurance under AS 28.20.400 before the Department of Motor Vehicle issues a certificate of registration.

Under the current mandatory insurance law, a motor vehicle owner can meet the requirements for vehicle liability insurance in one of two ways:

(1) He can purchase a liability policy with the coverage outlined in AS 28.22.010: \$50,000 for personal injury and death per person, \$100,000 for personal injury and death per accident, and \$25,000 for property damage per accident.

(2) Alternatively, he can produce a certificate of self-insurance under AS 28.20.400. To qualify for a certificate of self-insurance, a person must have 25 or more vehicles registered in his name and provide proof of financial responsibility.

Under the existing mandatory insurance law, proof of insurance or self-insurance need not be shown until after:

(1) A driver has had an accident involving personal injury, death, or property damage of \$500 or more, or

(2) A driver has been issued a six-point traffic citation for such violations as hit and run, reckless driving, and operating a motor vehicle while under the influence.

Section 1 does not alter the insurance coverage currently required under the mandatory insurance law. It merely alters the point in time when a vehicle owner is required to show his motor vehicle is insured; it requires proof of insurance before registration instead of after an accident or six-point traffic ticket.

SECTION 2

Section 2 authorizes the Department of Motor Vehicles to refuse to register a motor vehicle if its owner fails to produce evidence satisfactory to the Department that he has purchased a liability insurance policy or has obtained a certificate of self-insurance.

SECTION 3

Section 3 authorizes the Department of Motor Vehicles to suspend or revoke a vehicle's registration if the owner does not have a liability insurance policy in force with the required coverage and does not have a certificate of self-insurance.

DIVISION OF MOTOR VEHICLES
STATISTICS ON UNINSURED MOTORISTS
FROM JANUARY 1, 1985 TO OCTOBER 15, 1985

Accidents Involving \$500 Property
Damage or Personal Injury/Death

26,098	Drivers involved in accidents
3,779	Suspensions issued for failure to provide proof of insurance
<u>1,461</u>	Reinstatements after providing proof of insurance
2,318	Suspensions remaining in effect for failure to provide proof of insurance

Drivers Cited for Six-point
Traffic Violations

8,647	Drivers cited for six-point traffic violations
2,726	Suspensions issued for failure to provide proof of insurance
<u>312</u>	Suspensions voided after providing proof of insurance
2,414	Suspensions remaining in effect for failure to provide proof of insurance

INFORMATION SHEET

Six-point Traffic Violations

Failure to yield to an emergency vehicle

Failure to yield to a flashing blue light

Failure of blue light to yield to authorized vehicle

Exceeding posted speed limit -- 20 or more over

Altered speed limits -- 20 or more over

Speeding in school zone/playground/crosswalk

Exceeding speed limit by 20 or more when:

 Passing school bus

 Towing mobile home

 Crossing bridge

Impeding

Failure to stop for school bus displaying red lights

Driving with driver's license revoked/cancelled/suspended

Driving in violation of limitation

Exceeding 20 mph when overtaking school bus

Operating motor vehicle while intoxicated

Reckless operation

Negligent operation

Hit and run

Reckless driving at state airport

Exceeding speed limit by 20 or more at airport

Exceeding speed limit by 20 or more in state park

VEHICLES COVERED UNDER HB 535

§ 28.10.010

ALASKA STATUTES

§ 28.10.011

Chapter 10. Vehicle Registration and Title.

Sec. 28.10.011. Vehicles subject to registration. Every vehicle driven, moved, or parked upon a highway or other public parking place in the state shall be registered under this chapter except when the vehicle is

- (1) driven or moved on a highway only for the purpose of crossing the highway from one private property to another, including an implement of husbandry as defined by regulation;
- (2) driven or moved on a highway under a dealer's plate or temporary permit as provided for in AS 28.10.031 and 28.10.181(j);
- (3) special mobile equipment as defined by regulation;
- (4) owned by the United States;
- (5) moved by human or animal power;
- (6) exempt under 50 U.S.C. App. 501-591 (Soldier's and Sailor's Civil Relief Act);
- (7) driven or parked only on private property;
- (8) the vehicle of a nonresident as provided under AS 28.10.121;
- (9) a commercial interstate vehicle under AS 28.10.141;
- (10) transported under a special permit under AS 28.10.151;
- (11) driven or moved on a highway or vehicular way not connected to the state highway system established under AS 19.10.020;
- (12) a mobile home as defined by regulation. (§ 7 ch 178 SLA 1978; am § 1 ch 54 SLA 1979; am § 1 ch 99 SLA 1983)

Effect of amendments. — The 1983 amendment added paragraph (12).

NOTES TO DECISIONS

For case construing former AS 28.10.040 and meaning of "cross the highway," see *Newell v. National Bank*, Sup. Ct. Op. No. 2518 (File No. 5437), 646 P.2d 224 (1982).

STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

January 20, 1986

SUBJECT: Waiver of mandatory motor vehicle insurance
requirements (Work Order No. 14-1572)

TO: Representative Steven Rieger

FROM: Theresa L. Bannister *tb*
Legislative Counsel

You have asked whether the waiver of mandatory insurance coverage allowed by AS 21.89.020(e) allows a person to avoid the mandatory insurance requirements for motor vehicle operators. The answer is no. AS 21.89.020(e) allows a person to decline purchasing the insurance coverage from an insurance company, but this ability to decline does not eliminate either (1) the requirement under AS 28.22.200 that the person have the insurance, or (2) the requirement under AS 28.22.210 that the person show proof of such coverage after certain accidents and traffic law violations. The person who fails to demonstrate such coverage when called upon to do so by AS 28.22.210 will suffer the license suspension penalties of AS 28.22.240 (unless the person otherwise successfully challenges the suspension) even if the person waived purchase of the coverage under AS 21.89.020(e).

TLB:mkr
M2:046

STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL

JUNEAU, ALASKA 99811

907-465-3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

January 23, 1986

SUBJECT: Penalty for failure to have mandatory auto insurance

TO: Representative Steven Rieger

FROM: Theresa L. Bannister *TLB*
Legislative Counsel

You have asked whether the present state mandatory vehicle insurance law (AS 28.22) imposes a penalty on a person who is required to carry the insurance but who is not involved in an accident of a certain level under AS 28.22.210 or cited for a six-point traffic law violation. Although AS 28.22.200 requires certain operators and owners of motor vehicles who are not self-insured under AS 28.20.400 to carry motor vehicle liability insurance that complies with AS 28.22, there is no penalty imposed until the person has the accident or is cited for the six-point traffic law violation and fails to provide proof of such insurance.

TLB:csh
c5/023



RECORDS CERTIFICATION

I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James O. Smith
Signature of Camera Operator

9/5/89
Date

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HB 540

An Act relating to credit life mortgage insurance.

OVERVIEW

Prepared by Rep. John Sund's office.

People who are considered a high risk by insurance companies may find it impossible to purchase credit life mortgage insurance. Without the insurance, a mortgage holder is leaving his or her family at risk of losing the property.

A Ketchikan constituent who is also a disabled veteran is in such a situation. He has been denied credit life mortgage insurance and is concerned that his death could leave his family homeless.

HB 540 would create an assigned high risk insurance pool for credit life mortgage insurance. The pool would carry policies for those individuals considered too risky for standard coverage.

Organization and administration of the pool would be up to the director of the State Division of Insurance.

HB 540

An Act relating to credit life mortgage insurance.

SECTIONAL ANALYSIS

Prepared by Rep. John Sund's office.

Section 1 adds a new section to AS 21.89 to create a credit life mortgage insurance pool of all mortgage insurers in the state for individuals considered too high of a risk for standard mortgage insurance.

A plan for the pool will be designed by the Director of the Division of Insurance after consulting with the insurance companies.

Credit life mortgage insurance is defined as insurance on the life of a mortgage-holder whereby the insurer will pay off the mortgage if the borrower dies.

August 2, 1977

State of Alaska
Division of Veteran's Affairs
907 West Northern Lights Blvd.
Anchorage, Alaska 99503

LETTER OF INTENT

We, Roberto and Myrina Garza are applying for a Multiple Dwelling loan from the State of Alaska, Division of Veteran's Affairs. This loan is for the purpose of financing the balance of \$17,494.72 we now owe to the First National Bank on the Duplex at 4160 Tongass and the balance of \$26,918.03 still owing to Alaska Federal Savings on the house at 4142 Tongass for a total of \$44,412.75. (see enclosed).

We are also remodeling and repairing the above houses, at the cost of \$23,765.00. (see enclosed estimates). Therefore we are requesting the loan amount to cover these costs also, for a total of \$68,177.75.

Balance owing to Banks	\$44,412.75
Remodeling and Repairs	<u>23,765.00</u>
Total requested:	<u>\$68,177.75</u>

We are requesting a 25 (twenty five) year repayment plan on the loan.

Enclosed you will find a description of the property involved and an assessed valuation prepared by Pomtier Duvernay & Company, a professional firm.

Sincerely,

Roberto Garza

Myrina Garza



Veterans
Administration

May 18, 1984

In Reply Refer To: 363/27

Roberto G. Garza
4160 Tongass
Ketchikan AK 99901

C: 22 654 600

The following certificate is furnished for your use:

THIS IS TO CERTIFY THAT, ROBERTO G. GARZA, IS AN HONORABLY
DISCHARGED VETERAN OF THE UNITED STATES ARMED FORCES AND HAS BEEN RATED
BY THE VETERANS ADMINISTRATION FOR A SERVICE-CONNECTED DISABILITY EVAL-
UATED AT 100 %.

Sincerely,

A handwritten signature in cursive script that reads "William R. Harrell".

WILLIAM R. HARRELL
Veterans Services Officer

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT

DIVISION OF VETERANS' AFFAIRS

POUGH DA - JUNEAU 99811

August 22, 1977

Mr. Roberto G. Garza
4160 Tongass
Ketchikan, Alaska 99901

Dear Mr. Garza:

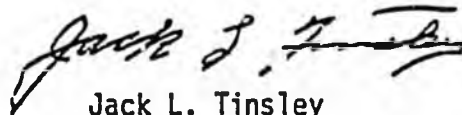
Your application for a loan was received in the Juneau General Office and has been reviewed by the loan committee.

I am pleased to advise you that the committee approved your application, in accordance with the terms and conditions described below:

Approved for \$68,200.00.
Interest rate will be 7.5%.
Repayment period will be 25 years.
Security for your loan will be 1st Deed of Trust on Lots 2 and 2A, Block 1, U.S.S. 1578.

Please contact the Regional Office for Documents and information regarding your loan closing.

Sincerely,



Jack L. Tinsley
Director

JLT/mt/1/4

cc: Regional Office

6-586-7460

Juneau
Veterans Administration
586-7472

MEMORANDUM

TO:

DATE: Feb. 15, 1979

Roberto Garza
Box 6774
Ketchikan, Ak. 99901

FILE NO. 51-220-01510-4

TELEPHONE NO. 465-2252

FROM:

SUBJECT: Loan

Veterans Affairs
Pouch DA
Juneau, Ak. 99811

Dear Mr. Garza,

I am writing in answer to your phone call of 1-7-79.

After checking into your account I have done the following:

1. credited your reserve account for the amount of \$337.10 charged for mortgage life insurance? THIS WAS NOT APPROVED.
2. changed your payment to \$604.00 to cover the increased reserve payment. The taxes were \$983.77 but were estimated at \$744.07 at closing.

Please find enclosed a copy of your accounting history and a copy of the Aetna form. I am sorry for the errors that have been made, I hope this will answer all of the questions you may have.

Sincerely,

Jan Dennis
Jan Dennis
Veterans Affairs

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT

OFFICE OF THE COMMISSIONER

POUCH D

JUNEAU, ALASKA 99811

Phone: 465-2500

March 26, 1981

Honorable Terry Gardiner
House Resources Committee
Pouch V
Juneau, Alaska 99811

Dear Mr. Gardiner:

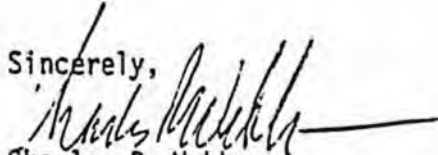
RE: Mortgage Insurance

On March 19, 1981, you wrote to me concerning a problem of having been encountered by a Mr. Bob Garza of Ketchikan. I took the liberty of checking his account with the Division of Veterans' Affairs in the Department of Commerce and Economic Development. It was determined that the original loan application was made in September of 1977 and at that time an application was made for life insurance to cover the mortgaged amounts. That life insurance application was rejected on November 30, 1977. It was rejected due to the fact that the application very plainly stated that Mr. Garza was having a heart and blood condition and was being treated for the same at the time the application was made. The records show that he made four premiums to cover the insurance at that time. After the application was rejected, the Division of Veterans' Affairs credited the account of Mr. Garza for the premiums which had been paid. No premiums are being transmitted to the Aetna Life and Casualty Insurance Company, who are the carriers of the life insurance group that covers the mortgage amounts.

In your second paragraph, you mention and ask if we have any suggestions concerning insurance for the types of cases which we have just talked about. This particular occasion is so rare that I would question the validity of considering a program for only the rare exceptions. Perhaps a person could look forward to carrying this with HB 41 or some other feature. This would have to be explored extensively.

If there is any more that we can do in regard to these matters, please let us know.

Sincerely,


Charles R. Webber
Commissioner

CRW/jarA20

BILL SHEFFIELD, GOVERNOR

**DEPARTMENT OF COMMERCE &
ECONOMIC DEVELOPMENT**

DIVISION OF ACCOUNTING AND COLLECTIONS

POUCH D
JUNEAU, ALASKA 99811
PHONE: (907) 465-2555
(907) 465-2510

May 18, 1983

Minnesota Mutual Life Ins. Co.
345 Cedar Street
St. Paul, Minnesota 55101

Attn. Dept. of Mortgage Insurance

Gentlemen:

One of our borrowers, Mr. Roberto G. Garza, has asked me to write to you to verify the fact that he and his wife, Myrina G. Garza has an active loan with U.S. office.

Mr. & Mrs. Garza took a loan out with this division on Sept. 19, 1977 in the amount of \$68,200.00, enclosed in a copy of the Deed of Trust. The current balance as of today is \$60,424.89. I would like to add that since this loan originated Mr. Garza has never made a late payment.

Please send all necessary insurance forms to either myself at the above address or directly to Mr. & Mrs. Garza.

If you have any questions please contact me at (907) 465-2555. Thank you for your help.

Mr. Roberto G. Garza
Box 6774
Ketchikan, Alaska
99901

Sincerely,
Chip Mixson
Chip Mixson
Escrow Section

Paul Arnold, Division Director
Division of Business Loans and
Veterans' Affairs
Department of Commerce and
Economic Development

June 21, 1983

Kevin T. Bruce
Special Assistant
to the Governor

Bob Garza

In early June I asked your Division for information on a veteran's home loan (#01 20 101 5100) to Mr. Bob Garza of Ketchikan. Your office was kind enough to let me know why Mr. Garza was unable to acquire mortgage life insurance for his home.

I am interested in knowing how many individuals that have home loans with the State are similarly situated. I realize the majority of loans are now financed through AHFC; however, I am primarily interested in loans with your Division. Is it possible to have the insurance carrier establish a group rate for high risk individuals? Mr. Garza, of course, is concerned that his death will leave his family homeless. While I am aware that this is not the case, as long as payments are met, I understand his concerns and I am sure they are shared by others.

Thank you for your assistance.

bcc: Bob Garza

KKB/blc

BILL SHEFFIELD
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

July 12, 1983

Mr. Bob Garza
4160 Tongass
Ketchikan, AK 99901

Dear Bob:

Please find enclosed a memorandum that I have received from Commerce discussing your problem.

I have encouraged Mr. Arnoldt to expedite his search for a high risk group plan, and provided him the insurance carrier's name that you mentioned earlier.

I will keep you posted on future developments.

Sincerely,

A handwritten signature in black ink, appearing to read "K. Bruce".

Kevin K. Bruce
Special Assistant
to the Governor

Enclosure

MEMORANDUM


State of Alaska

TO: Kevin K. Bruce
Special Assistant
Office of the Governor

DATE: June 28, 1983

FILE NO:

TELEPHONE NO:

FROM: 
Paul B. Arnoldt, Director
Division of Investments
Department of Commerce and
Economic Development

SUBJECT: Bob Garza

The Division of Investments currently has 4,542 veterans' loans on the books, of which 1,866 have mortgage life coverage. We do not keep statistics on the number of applicants which were denied coverage versus those which opted not to request the coverage.

We checked with James E. Hickey of Aetna Life and Casualty, our underwriter, concerning a group plan for high risk individuals and he indicated that, to his knowledge, no group plan exists in the insurance industry. Mr. Hickey said that he would do some further checking and contact us if he found a high risk group plan.

It appears that Mr. Garza's only option is to contact an insurance company on an individual basis for coverage.

PRB/jarH32
62883a

STATE OF ALASKA

BILL SHEFFIELD, GOVERNOR

DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT

POUCH D
JUNEAU, ALASKA 99811
PHONE (907) 465-2555

DIVISION OF ACCOUNTING AND COLLECTIONS

December 13, 1983

Mr. & Mrs. Roberto G. Garza
4160 Tongass Avenue
Ketchikan, Alaska 99901

Dear Mr. & Mrs. Garza:

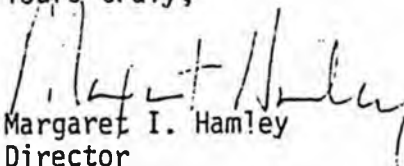
Re: Loan #01-220-1015100
Mortgage Life Insurance

After I called you last week to give you the names of the two life insurance agents in Anchorage who write high risk life insurance (Dave Straton at 243-1155 and Bruce Moore at 276-6662), I did some further checking with the State's Division of Insurance. I also called Mr. Straton myself to find out whether he thought some sort of group policy might be possible.

He recommended that we send a letter to several of the companies that write a large volume of life insurance in Alaska, and ask them whether such a group policy would be feasible. (As you know, we are not able to offer group high risk mortgage life insurance at this time.) We hope to hear from them within six to eight weeks; if a high risk group policy appears feasible based on their responses, we'll put together a "request for proposal." We'll keep you informed as we proceed with this plan.

Also, as I mentioned on the first and on the eighth, I would appreciate a note from you with your next payment to let me know whether either Mr. Straton or Mr. Moore was able to be of help.

Yours truly,


Margaret I. Hamley
Director

MIH/mst2/2
121383a

cc: Laurie Herman, Office of the Governor
Bernadette Campbell, Office of the Governor



RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.


Signature of Camera Operator


Date

H

B

5

4

4

HOUSE
COMMITTEE REPORT

JUDICIARY

(7)

Date referred: 2/5/86

FURTHER REFERRALS: FINANCE

DATE: 3/3/86

The LABOR & COMMERCE Committee has considered HB 544

"An Act prohibiting the use of certain business names and establishing remedies and penalties for violations."

and recommends:

- do pass
- do not pass
- do pass with attached amendment(s)
- no recommendation
- replace with _____ same title
- _____ new title

and recommends _____

further referral to the _____ Committee

- and attaches:
- letter of intent
 - first fiscal note
 - new fiscal note
 - zero fiscal note

SIGNING DO PASS:

SIGNING OTHER RECOMMENDATIONS:

Mike Favone - no rec
Mike Favone no rec,
no Rec til
time kearce judiciary is done!
Edgar Mills no Rec. PD 1016 Amend!

Mike Favone
Chairman

Pouch V
Juneau, Alaska 99811

Alaska State Legislature
House of Representatives

Phone:
(907) 465-3892



Labor and Commerce Committee

LETTER OF INTENT

3/3/86

Representative M.M. Miller, Ch. House Judiciary Comm.

The Labor & Commerce Committee considered and passed HB 544 today after noting that some of the issues will be more appropriate for the Judiciary Committee's consideration.

Testimony from the Dept. of Commerce and Dept. of Revenue indicate that there are some problems with the bill as written. Representatives from these departments said they would work with Rep. Phillips (sponsor) to fix these problems.

Signed,

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

Rep. Mike Navarre, Ch. House Labor & Commerce

FROM THE OFFICE OF
REP. MIKE NAVARRE
FOR YOUR INFORMATION

Alaska State Legislature

IN SESSION:
P.O. BOX V
JUNEAU, ALASKA 99811
(907) 465-4949



BOX 142
EAGLE RIVER, ALASKA
99577

Representative Randy Phillips

HOUSE DISTRICT 15

MEMORANDUM

TO: Representative Mike Navarre
Chairman, House Labor & Commerce Committee

FROM: Representative Randy Phillips ^{R.E.P.}

DATE: February 28, 1986

RE: House Bill 544
An Act prohibiting the use of certain business
names and establishing remedies and penalties
for violations

Thank you for your prompt scheduling of the captioned bill.

Enclosed are the following:

- a. Sectional analysis of the bill prepared by Theresa Bannister of Legislative Affairs.
- b. Letter from Monte Parrish of Northland Enterprises describing the problem area the bill addresses.
- c. Copy of article from Equipment Managment concerning use of one business name by another business ("Minority contracting fraud probes being stressed by Department of Transportation:)

If you have any questions, please do not hesitate to contact me.

Enclosures

STATE OF ALASKA
THE LEGISLATURE

POUCH Y STATE CAPITOL
JUNEAU ALASKA 99811
907 465 3800

LEGISLATIVE AFFAIRS AGENCY

M E M O R A N D U M

February 27, 1986

SUBJECT: Sectional analysis for HB 544
TO: Representative Randy Phillips
FROM: Theresa L. Bannister *tlb*
Legislative Counsel

This memo contains the sectional analysis that you requested for HB 544.

Section 1 amends the basic corporations chapter to allow the commissioner of commerce and economic development ("commissioner") to use a court action to stop a person from doing business under certain reserved, registered or used names. Requires the commissioner to give notice and an opportunity to stop the prohibited use to the person before bringing the court action. Imposes a penalty (a violation) on a person who knowingly uses a name prohibited to the person.

Section 2 amends the nonprofit corporations chapter in a manner similar to that in Section 1.

Section 3 amends the chapter dealing with reservation of a business name in a manner similar to that indicated in Section 1, but only with regard to use of a name that is the same as, or similar to, a name reserved under AS 10.35.

Section 4 requires an applicant for a state business license to indicate its business name in the application.

Section 5 prohibits the Department of Commerce and Economic Development from issuing a business license to an applicant whose business name is the same as or deceptively similar to the name of another licensee, unless the similarity arises solely from the applicant's use of its legal name. Clarifies what is the business name of a foreign corporation operating in the state under an assumed name.

TLB:mkr
-3/089

NORTHLAND ENTERPRISES

February 11, 1986

Randy Phillips
State Representative
P.O. Box V
Juneau, AK 99811

Dear Randy,

Please accept my apology in the delay of my response to you regarding HB 544.

I have reviewed the bill as you have requested, and do indeed feel that it will perform exactly what is needed. Without belaboring the details of difficulty backgrounding our experiences, I will summarize as follows;

To date, I have been forced three times to contest other persons or businesses use of our registered and licensed business name "Northland Enterprises". To reiterate, in each case our discovery of their infringement was incidental.

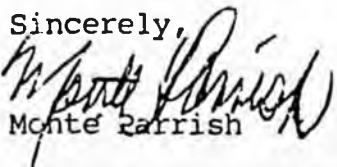
Threats of litigation seem to have had varying degrees of effect in dissuading those companies. One even held a legally issued business license with the same name as our company, another was intent on obtaining a license and ignoring us until we demonstrated that it would constitute an infringement on our registration of the name (as no Alaska law prohibits duplicate licensing).

We had the surprise and misfortune of being considered an associate of one of those companies by their different creditors, for which we were threatened with being penalized for their many delinquencies. As a result, I fear our company suffering consequential implications (which I have no doubt has occurred) if and when these or other companies default and/or otherwise cause an infraction on the reputation we are trying to earn.

I am convinced that this type of situation will plague other Alaskan businesses in the future if left unchecked.

I am very appreciative of your assistance to the business community by the proposal of HB 544 to close a loophole in business ethics that presently allows duplicate business names and licenses.

Sincerely,


Monte Parrish

EM

EQUIPMENT MANAGEMENT
IN WASHINGTON

By EPHRAIM KAHN
Washington Editor

Minority contracting fraud probes being stressed by Department of Transportation

Secretary Elizabeth Hanford Dole of the Department of Transportation has told Inspector General Joseph P. Welsch to "mount an offensive against minority fronts with the same determination and vigor that have assured our success in efforts against bid-rigging." The Inspector General is working in conjunction with the Department of Justice. Sec. Dole recently told the National Minority Supplier Development Council that she expects significant results in the investigation and prosecution of minority fronts.

In fiscal 1985, disadvantaged businesses received over \$1.7 billion from Federal Highway Administration and Urban Mass Transit Administration projects. Both these agencies are actively supporting investigations of possible fraud. The probes will be directed toward prosecuting non-disadvantaged prime contractors who are abusing the program.

Inspector General Welsch said "some schemes involve the voluntary participation of minority 'fronts,' while some involve participation by legitimate disadvantaged businesses who are used as

'brokers' for 'pass-through' subcontracts to non-disadvantaged firms. Others use the name of disadvantaged businesses without their knowledge or consent. The number of schemes and variations is limited only by the ingenuity of the operator."

He added that criminal violations have included false statements, false claims, perjury, mail fraud, wire fraud, conspiracy, antitrust violations, extortion, and others. "Because of the potential for abuses in this multi-billion dollar program, the Fraud Section of the Criminal Division, the Department of Justice, is taking measures to insure that all substantive criminal violations receive full prosecutive consideration," Welsch added. He requests anyone with knowledge of fraud in this program to call the toll-free Hotline at 800-424-9071 (755-1855 in the Washington, D.C. area). Callers may be anonymous and may request that their identity be protected.

Improved prompt pay laws will be sought by coalition this year

The Coalition for State Prompt Pay, a group of 26 trade associations including several in the construction industry, will try to persuade the nine states that don't have prompt pay laws to pass them in 1986 and to convince the legislatures of 41 states that have these laws to improve them.

At this point, 41 states and the District of Columbia have laws that require government agencies to pay contractors promptly or to pay interest penalties when payment is late. Six states (Missouri, New Mexico, North Dakota, Ohio, Tennessee, and Texas) and the District of Columbia adopted new prompt pay laws in 1985. In addition, California, Florida, Hawaii, Minnesota, Montana, and Virginia enacted strengthening amendments to their existing prompt pay laws.

The federal prompt pay law, which requires that contractors be paid within 30 days and that interest be paid on overdue amounts, was passed in 1982. The state laws are similar to the federal law. The Coalition reports that enactment of the federal law resulted in a substantial increase in the number of on-time payments to contractors.

Coalition director Kenton Pattie noted that Congress recently has held hearings on improving the federal prompt pay law, and that the construc-

tion industry has expressed particular concern about lateness in progress payments. Some federal agencies fail to pay interest on progress payments, and they also fail to make progress payments on time, contending that the prompt pay law does not apply to payments made in advance of completion of the contract.

The construction industry is trying to get that changed. Pattie said the Coalition—which has at least 15 construction-related associations in its membership—will try to have the federal statute amended in 1986 to state clearly that progress payments are subject to the prompt payment act and that they should be made within the 30 days prescribed for paying other bills. Pattie notes, however, that some people have said this would be bad—or at least a mixed blessing—for construction because agencies might decide to slow payments that they are now making in less than 30 days, as well as progress payments, timing them to arrive on or about the thirtieth day. This could result in delaying payments to those contractors who have been getting their money before the day that interest payments would start to accrue.

(Continued on page 10)

HB 544: "An Act prohibiting the use of certain business names and establishing remedies and penalties for violations."

The Department of Commerce and Economic Development supports the concept of duplicate name avoidance of HB 544. It is the understanding of the department that the intent of HB 544 is to avoid the issuance of a business license under a name which is the same as or deceptively similar to a name already licensed.

Currently, agencies which license do so independently of each other in many respects. For example, businesses do not apply for all needed licenses at the same point in time; licensing in one agency is not necessarily conditional on licensing in another agency; and there is a lack of statutory authority to enforce prohibitions related to the use of similar names. For these reasons, the department feels it would be necessary to develop an interactive, common data base to ensure that the same or deceptively similar names are not licensed.

Statutory authority will need to be granted to the Department of Commerce and Economic Development to allow the administrators of Title 10 and Title 8 to deny an application based on a business license application under Title 43 and conversely granting authority to the Department of Revenue under Title 10.


Corporation's files are now maintained on the IBM mainframe. The Division of Occupational Licensing and the Department of Revenue Business License Section maintain their files on a Wang system. It will be necessary to seek a uniform data base to accomplish the goal of avoiding the acceptance of filings which are the same or deceptively similar.

The department does, however, have concerns with Sections 1, 2, and 3 of HB 544, as originally drafted, which authorized the Commissioner of the Department of Commerce and Economic Development to seek injunctive relief. To seek such an injunction is presently in, and presumably would continue to be vested in, the person who has registered a corporate name (AS 10.05.034) or who has registered a business name (AS 10.35.040). If the department is granted injunctive authority under HB 544 to enjoin a person from doing business under the same or deceptively similar name, it would only be able to address conflicts which are a result of a filing under Title 10. Disputes resulting from business name conflicts have traditionally been settled through private litigation. States have generally refrained from intervening in such private business concerns.

It is noted that the Corporations Section has on file approximately 25,000 names, while the Department of Revenue has approximately 65,000 business names on file and the Division of Occupational Licensing has approximately 26,000 names.

The department would propose an amendment to Title 8, the Central Licensing Act, which would provide a means of reducing the instances of the use of the same or deceptively similar name. The proposed amendment is attached.

The department also suggests that Title 10 be clarified by amendment to provide specific private rights of action to a person who is granted a Certificate of Incorporation or a Certificate of Authority. Currently, injunctive relief may be sought by a person who has registered a corporate name under AS 10.05.034 or who has registered a business name under AS 10.35.040. No similar specific authority exist, for corporations formed under Title 10. Suggested amendments to Title 10 are attached.


Loren H. Lounsbury, Commissioner
Department of Commerce & Economic
Development

Date

3/3/86

Suggested alternatives to Sections 1, 2 and 3 of HB 544:

Section 1. AS 10.05.261 is amended by adding a new subsection to read:

(b) The certificate of incorporation gives the exclusive right to the use of the corporate name and the corporation may enjoin the use of the same name or a deceptively similar name and has a cause of action for damages against anyone who uses the same name or a deceptively similar name.

Sec. 2 AS 10.05.624 is amended by adding a new subsection to read:

(b) The certificate of authority gives the exclusive right to the use of the corporate name and the corporation may enjoin the use of the same name or a deceptively similar name and has a cause of action for damages against anyone who uses the same name or a deceptively similar name.

Sec. 3 AS 10.10.030(4) is amended by adding a new subsection to read:

(e) The certificate of incorporation gives the exclusive right to the use of the corporate name and the corporation may enjoin the use of the same name or a deceptively similar name and has a cause of action for damages against anyone who uses the same name or a deceptively similar name.

Sec. 4 AS 10.15.345 is amended by adding a new subsection to read:

(b) The certificate of incorporation gives the exclusive right to the use of the corporate name and the corporation may enjoin the use of the same name or a deceptively similar name and has a cause of action for damages against anyone who uses the same name or a deceptively similar name.

Sec. 5 10.20.161 is amended by adding a new subsection to read:

(b) The certificate of incorporation gives the exclusive right to the use of the corporate name and the corporation may enjoin the use of the same name or a deceptively similar name and has a cause of action for damages against anyone who uses the same name or a deceptively similar name.

Sec. 6 AS 10.20.500 is amended by adding a new subsection to read:

(b) The certificate of authority gives the exclusive right to the use of the corporate name and the corporation may enjoin the use of the same name or a deceptively similar name and has a cause of action for damages against anyone who uses the same name or a deceptively similar name.

Sec. 7 AS 08.01.060 is amended by adding a new subsection to read:

(b) An applicant for a license as a corporation must attach a copy of the certification of authority for foreign corporations or the certificate of incorporation for domestic corporations issued by the Corporations Section, Division of Banking, Securities, and Corporations, Department of Commerce and Economic Development.

STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date : _____

REQUEST

Bill/Resolution No. : HB 544
 Title : An Act prohibiting the use of certain business names and establishing remedies & penalties for violations.
 Sponsor : Phillips
 Requestor : _____
 Date of Request : _____

FISCAL DETAIL

Agency Affected : Commerce & Econ. Dev.
 BRU : Banking, Securities and Corporations
 Components : _____

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL		4.2	3.0	3.0	3.0	3.0
SUPPLIES						
EQUIPMENT		10.0				
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	14.2	3.0	3.0	3.0	3.0

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
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REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
---------	-----	-----	-----	-----	-----	-----

FUNDING : (Thousands of Dollars)

	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
GENERAL FUND	-0-	14.2	3.0	3.0	3.0	3.0
FEDERAL FUNDS						
OTHER						
TOTAL						


POSITIONS :

	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

Funding will permit acquisition of Wang Terminals for the Corporation Section to allow access to compatible data base for cross referencing business names between all affected agencies. Four terminals - Juneau, Two terminals - Anchorage.

Prepared by : Lawrence P. Carroll Phone : 465-2521
 Division : Banking, Securities & Corporations Date : March 3, 1986

Approved by Commissioner :  Date : 3/3/86
 Agency : Dept. of Commerce and Economic Development

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

NAME AVAILABILITY PROCEDURE GUIDELINES

A name availability search or check is performed for all new names and all changes of names for corporations and other legal entities registered with the division. By law, a name cannot be accepted that is the same as or deceptively similar to one of record. Mail availabilities have priority over everything else in the Information Center, except phone inquiries. Procedures will not cover every situation. The ultimate test of "deceptive similarity" is: will the general public be confused, either intentionally or unintentionally, about the new applicant and names on files. The guidelines for "deceptive similarity" are listed below. The process is essentially the same for all legal entities. The general guidelines are covered in Paragraphs A to Y.

ALL OPINIONS REGARDING NAME AVAILABILITY ARE MERELY ADVISORY AND ARE NOT FINAL, UNLESS AND UNTIL A PROPER LEGAL INSTRUMENT EMPLOYING THE NAME HAS BEEN STAMPED FILED BY OUR OFFICE.

A PRELIMINARY NAME AVAILABILITY SEARCH BY TELEPHONE IS NOT A GUARANTY: IT IS NOT A RESERVATION. IT IS A QUICK SEARCH, AND ALL TESTS FOR NAME AVAILABILITY (INCLUDING THE SAME AS, DECEPTIVELY SIMILAR, REVERSALS, ABBREVIATIONS, PHONETIC COMPARISON, ETC.) ARE NOT ACCOMPLISHED IN A BRIEF TELEPHONE INQUIRY. THEREFORE, THE CUSTOMER SHOULD BE ADVISED AS FOLLOWS: "THIS DOES NOT RESERVE THE NAME. IT WILL BE CHECKED AGAIN WHEN THE DOCUMENTS AND FEES ARE RECEIVED IN OUR OFFICE. YOU SHOULD NOT USE THE NAME UNTIL YOU RECEIVE YOUR COPY STAMPED FILED."

In determining name availability, proposed corporate names are not compared to trademarks registered in Alaska.

A. Every check results in one of the following decisions:

1. Name is available;
2. Name is available with consent of the entity having a similar name;
3. Name is available with additional terminology;
4. Name is not available; or
5. Name is available with the addition of one or more words and consent of the entity on file.

B. Same Name:

The same name cannot be accepted.

C. Word Endings:

Each word of the name should be examined for different word endings. The following tests are used to determine if a name is deceptively similar to another of record.

D. Noise words:

1. "Noise" words, such as "of," "for," "in," "an," "and," "the," "to," "too" and "at," are not considered descriptive words and should be ignored. Institute of Health...also check Institute for Health. These are considered identical names.

ABC Company	Johnson-Harris, Inc.
AB and C Company	Johnson and Haris, Inc.
A and BC Company	
AB Company	Alaska-Hawaii
A and B Company	Alaska and Hawaii

2. "A" is considered.

"A" is considered when it is at the beginning of a name. "A" is often used by a business entity to get its name listed first in the Yellow Pages, e.g., "A-Creative Coachworks," "A Design & Builders." Therefore, when checking a name, e.g., "A-Cut Above," check under "A" as a word, as well as under the word "Cut" and "Kut."

E. Abbreviations:

1. Check abbreviations if applicable:

Brothers Bros.	Builders Bldrs.	Junior Jr.	Los Angeles L.A.
Management Mgt.	Manufacturing Mfg.	Metropolitan Metro	Mister Mr.
Mount or Mountain Mt.		Alaska AK	Plumbing Plbg.
Robert Robt.	Saint St.	Television TV	United States U.S.
William Wm.			

F. Acronyms/Initials:

1. Check acronyms as separate names. Only one, not both, are acceptable. Case law in other states sets forth that a business may have only one name per business.

EXAMPLE: "International Customer Exchange (ICE)." We would accept "International Customer Exchange" or ICE," if available, but both cannot be the corporate name.

2. Initials.

Initials that either spell a word or can be pronounced as a word are checked as a word and are considered identical, i.e., "F.I.T.T.E.R.S." and "Fitters."

G. Hyphenated Words:

Hyphenated words, two words or one word, i.e., "Tri-City," "Tri City" and "TriCity" are considered identical and are filed as one word.

H. Spaces and Special Characters:

1. Spaces and special characters, periods, commas, apostrophes, etc., are not considered.
2. Capitalization is ignored, e.g., "JOHN'S TOWING" is considered the same as "John's Towing."

I. Corporate Endings/Special Corporate Words:

1. Corp., Inc., Ltd.

Common corporate endings are considered synonymous and are not considered when checking name availability. One of these must appear in a corporate name:

Corporation or Corp.
Company or Co.
Incorporated or Inc.
Limited or Ltd.

2. The corporate name may not contain the word "city," "borough" or "village" or otherwise imply that the corporation is a municipality.
3. Special Corporate Provisions
 - a. Professional corporations require "Corporation" or "Incorporated" or the abbreviation "Corp." and "Inc." or the words "A Professional Corporation" in their corporate name.
 - b. The word "Cooperative" or "COOP" or "CO-OP" can only be used in the name of a cooperative corporation.

EXCEPTION: The word "COOP" can be used in a name such as "Chicken Coop Tavern."

J. Reverse Name:

1. Names should be reversed and checked backward, such as:

Bill-Marr	Harris-Johnson Company
Bil-Mar	Johnson-Harris Company
Mar-Bil	
Bill-Mar	

Host of America	Paris-Boutique
American Hosts	Botique of Paris

Alaska Fishermen's Association
Association of Fishermen of Alaska

EXCEPTION: Initials do not need to be reversed:
A and B Company is available against
B and A Company

2. All names should be checked forward, backward and for combinations, such as:

Alaska Fishermen's Association
Alaska Association of Fishermen
Fishermen's Association of Alaska
Association of Fishermen of Alaska
Association of Alaska Fishermen
Associated Fishermen of Alaska
Fishermen's Association, Alaska Chapter

K. Personal Names:

A personal name by itself is allowed with a corporate designation if the name is available.

L. First names, initials and nicknames:

1. The following names are available against each other:

- a. "James Smith Construction Company" is available against "Smith Construction Company."
- b. "Jim Smith Construction Company" is available against the above two names with consent from "James Smith Construction Co."
- c. "J. Smith Construction Company" is available against the above names with consent of "James Smith Construction Co." and "Jim Smith Construction Co."
- d. "J. A. Smith Construction Company" is available against all the above.

2. The following names should be checked against each other:

- a. "Don" and "Donald."
- b. "Doug" and "Douglas."

The above are short forms of specific words. "Don" may be considered an abbreviation of "Donald."

3. In general, the first two words of a proposed name cannot be identical without consent. "Anchorage Service & Supply, Inc." needs consent from "Anchorage Service, Inc."

M. Words Requiring Other Boards' or Commissions' Approval:

Certain words cannot be filed without referring the registrant to other boards, i.e., Certified Accountant, Architect, Bank Trust, Savings Bank, Engineer, Underwriter, Bonding Company.

1. Accounting Any of the following words, or abbreviations, used in a name must be referred to the Board of Accountancy for clearance. Check their availability and refer the customer to the Board of Accountancy.

Certified Accountant, A.A.
Chartered Accountant, C.A.
Enrolled Accountant, E.A.
Licensed Accountant, L.A.
Registered Accountant, R.A.
Public Accountant, P.A.
Certified Public Accountant, CPA

2. Architect, Architecture, Engineer, Engineering and Land Surveyors. These terms cannot be used without the approval of the Board of Architect, Engineers and Land Surveyors. If a corporation is using such term, it must be filed as a professional corporation.

3. Banking Division Referrals. The following names cannot be used unless they have been cleared by the Banking Division. If names include these terms, check the name and refer the customer to the Banking Division. "Trust" may be used if the entity is a business trust.

bank	bankers	banking	Premium Finance. Co.
savings bank	savings	trust	trustee
trusteed	trust company	loan company	savings & loan

4. Insurance Agencies. The following words cannot be used by Insurance Agencies:

adviser	advisers	bonding company
Broker or brokers	brokerage	counselor or counselors
consultant	consultants	exchange
insurance company	insurance group	insuror
reciprocal	underwriter	

The terms "Company," "Inc.," "Corp." or "Corporation" will be accepted in a name availability check, provided it is preceded by descriptive words, i.e., "Insurance Service Company." The words "Insurance Company" without intervening descriptive words will not be accepted.

If any questions arise concerning names used in the above terms, refer the customer or name to the Division of Insurance.

5. Water Districts. If a proposed name includes the term "Water District" or "Water Company," the Public Utilities Commission must be contacted prior to filing.

N. Government Implication

The name cannot be similar to a governmental entity, e.g., "Franklin's Bureau of Investigation," or "Childrens Services, Inc." would not be acceptable.

O. Abusive Words:

Abusive words are not accepted.

P. Foreign Language Words:

Since we do not have the skill to translate foreign language words to their English equivalent, we do not normally cross check them except when a word or term is widely used or known.

EXAMPLE: "De" and "Del," rather than "of," may be used in some Spanish names.

Martinez de Mexico...Martinez of Mexico

Asociacion...Association

Usually a foreign language title is distinctive enough and we need not be too concerned to determine its English counterpart.

Q. Contracted Words, Coined Words and Coined Phrases:

1. Use special care when checking contracted words and "coined" words or phrases. Contracted words or terms may be a contraction or a combination of two or more words, i.e., "Comptrol" may be a contraction of "Computer" and "Control," as may be

"Compcn." In these instances, "Comptrol" and "Compcn" may require the consent of "Computer Control" or may need additional descriptive terminology.

The original or first corporation to use a contracted or coined word is sometimes jealous and protective of his "invented" word and may attempt to prevent others using the word. Therefore, it is wise to be cautious when checking these names.

Each name must be approved or disapproved on an individual basis and any questionable names should be approved by a supervisor. The more frequently a word is used, the less unique it becomes and additional names would probably be approved more readily. However, if there are only one or two corporations on file which use an unusual or contracted word, consent may be required.

For its first four letters, "Xerox" may have used "xero," a combining form meaning dry, added "x" and "invested" a now very well-known word. Anyone else wishing to use "Xerox" in their corporate name would probably need consent.

R. Key, Descriptive, Nondescriptive and Generic Words:

1. Each word in a corporate title must be checked. Some words in the title may have more weight or meaning than others, but the name should always be considered as a whole.
 - a. The first word in a title is usually considered a "key" word. For example, in "Pacific Company," "Pacific" is the key word. In "Pacific Communications Company," "Pacific" is the first key word and "Communications" is the second and descriptive key word. "Company" is merely an ending or nondescriptive word. In "Pacific Communications Enterprises Company," the words "Pacific" and "Communications" are still the key words in the titles and "Enterprises" merely adds verbage to the name. Therefore, if we have "Pacific Communications Company" on file and someone wanted the proposed name "Pacific Communications Enterprises," we would not accept the name without consent because "Enterprises" does not further qualify the title.

EXCEPTION: If we have many corporations with the same beginning, i.e., "Pacific Communications Associates," "Pacific Communications Development Company," "Pacific Communications Radio Co.," "Pacific Communications Industries," etc.

- b. Descriptive words may sometimes be nondescriptive words and nondescriptive words may sometimes be considered "key" or descriptive words.

We would not accept "Pacific Communications Enterprises" against "Pacific Communications Company," but would find no conflict between "Pacific Enterprises" and "Pacific Company." In "Pacific Enterprises," the word "Enterprises" becomes a major or "key" word in the title. We would not accept "Pacific Communications Enterprises" against "Pacific Communications Associates," but would accept "Pacific Enterprises" against "Pacific Associates." In these instances, you remove the descriptive qualifying word "Communications" and "upgrade" the nondescriptive words "Enterprises" and "Associates" to "key" words.

2. In name checks, we consider generic words similar to nondescriptive. They differ because of their more frequent use. They include common words such as "United," "General" and "Universal"; geographical words such as "Northwest"; type of business words as "Computer" and "Marketing"; and numbers such as "First" are generic and cannot, by themselves, be protected.

The name must be considered as a whole. The removal or addition of a word may change the context of the name as a whole.

S. Adjectives:

Sometimes a title may have a qualifying or descriptive word that is not necessarily a "key" word, but, rather, acts as an adjective, describing a specific type and sometimes preceded by a descriptive key word.

EXAMPLE: "Northwest Investment Company" or "Northwest Diversified Investment Company." The word "Diversified" in the second title describes a certain type of investment.

"Northwest Investment Company" or "Northwest Land Investment Company," again, the word "Land" in the second title describes the type of investment. In each of the above instances, the basic key words are the same: "Northwest Investment." In each case, consent should be required, especially if the type of investment Northwest Investment Company is making is unknown.

Sometimes the addition of an adjective may change the title so that it would not require consent; or two titles may have the same key words but different adjectives.

EXAMPLE: "Arrowhead Money Management, Inc." or "Arrowhead Property Management, Inc."

In the above instance, the meaning is different, making each name distinctive enough to allow both titles.

T. Checking the Name as a Whole:

Always consider the name as a whole, even though certain words are or are not normally available against each other. Placing them in con-text changes the condition of the words.

This is one of the most important aspects in checking corporate names...DO NOT TAKE A WORD OUT OF CONTEXT.

EXAMPLE: WRONG: Is "associates" available against "enterprises"?

RIGHT: Is "Martin Plumbing Associates" available against "Martin Plumbing Enterprises"? (No or with consent)

RIGHT: Is "Martin Associates, Inc." available against "Martin Enterprises, Inc."? (Yes, it is)

U. Two-Name Check:

Insure that the applicant is not attempting to file two distinct names as one, i.e., "Lakeside Hotel and Roundup Room Lounge." Under certain conditions two names may be accepted, however, only the first name is protected. The applicant is informed that the name is filed alphabetically and is not cross-referenced.

V. Places:

In checking names followed by a city or location, it may require the consent of the other entity, if one is on file, i.e., "Bootleggers of Bend" or "Bootleggers, Inc."

W. Nationally Known and Generally Known Words:

1. Franchises

Many corporations have franchised operations, i.e., "Culligan Soft-Water"; "Coca-Cola"; "McDonalds"; "Kentucky Fried Chicken," etc.

Normally a consent is required from the "parent" corporation. If the parent corporation is on file, always require additional terminology from the new applicant in addition to the consent from parent corporation. Check with the supervisor to determine whether consent should be required.

2. Nationally Known and Generally Known Words: Applicants submitting names that appear similar to nationally known names should be warned of possible infringement of Federal Trade Names or Service Marks.

EXAMPLES: "Leggs Panti's," "Smith Bros. Pharmacy," or "Martinizing" would be acceptable under Alaska law, however, the applicant should be aware of potential infringement. These areas require management approval.

X. Fewer Words:

A name with fewer words or a shortened form of a name is generally not accepted without consent or additional terminology in front of a name. For example, if "Wasilla Interior Design" is on file and "Wasilla Design" is requested, additional terminology or consent may be required. Check with the supervisor.

Y. Synonymous Words and Combined Terms:

Check words with similar meanings or terms which have become accepted through usage as "belonging" together. This will not make the request "unavailable," but may require consent.

Airline
Airways

Auto
Automobile
Car

Builders
Construction
Contractors
General Contractors
General Construction
Home Builders

Drug Store
Pharmacy
RX Pharmacy
Prescription Pharmacy

Farm
Ranch

Gas
Oil
Petroleum

Mail
Postal

Mart
Market

Maintenance
Building Maintenance
Janitorial

Productions
Picture
Film
Motion Pictures

Tennis Club
Swim and Tennis Club

Title
Title Insurance
Escrow and Title

Trucking
Transport

Van and Storage
Van Lines
Transfer and Storage
Moving

You may not always feel a conflict exists between many of the above. It depends many times on the context in which the word is used, the position of the word in the title and other words used in the title that may require consent.

EXAMPLE: Consent must be obtained from existing corporation "Quality Title Service" for a new name "Escrow and Title Service." However, we would probably accept "Title Service Company" and "Escrow and Title Service Company" together.