

ALASKA LEGISLATURE COMMITTEE FILES 1987 - 1988 8672  
5333 SJUD HB 36 - HB 59

905

HB

36



ALASKA STATE LEGISLATIVE COMMITTEE

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1/21/88

Senator Jalmar Kerttula, Chairman  
Senate Judiciary Committee  
PO Box V  
Juneau, AK 99811

*JAN 27 1988*  
*TK you we are bringing you two*

Dear Senator Kerttula:

I am writing to encourage the Senate Judiciary Committee to approve CSHB 36, "An Act requiring certain motor vehicle insurance policies to provide reduced rates for certain persons."

This legislation provides a strong incentive for safer driving on Alaska's highways. Safer driving not only makes our highways safer for everyone, but also reduces medical costs and vehicle repair costs to insurance companies. This legislation carries no fiscal note-- and in the long run, it may save money for the State of Alaska in reducing medical costs to some state programs and in decreasing court costs which arise from driving mishaps.

Your strong support in getting this legislation through committee and through the Senate will be deeply appreciated.

Sincerely yours,

*Patricia Oakes*

Miss Patricia Oakes, Chair  
AARP State Legislative Committee

FISCAL NOTE

REQUEST: \_\_\_\_\_

Revision Date: \_\_\_\_\_  
Title: An Act requiring certain motor vehicle insurance policies to provide....

Agency Affected: Public Safety  
BRU: Division of Motor Vehicles

Sponsor: Gruessendorf  
Requestor: \_\_\_\_\_

Components: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

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

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

FUNDING: (Thousands of Dollars)

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

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

No fiscal impact on this department.

Prepared by: Jay N. Dulany JND Phone: 269-5551  
Division: Motor Vehicles Date: 1/12/88

Approved by Commissioner: Charles A. Hooten, Dep Comm. Date: 1-22-88  
Agency: Dept of Public Safety

Distribution (by preparer):  
Legislative Finance  
Legislative Sponsor  
Requestor  
Office of Management and Budget  
Impacted Agency(ies)



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POSITION PAPER

**Automobile Insurance Discount  
For Older Drivers**

The National Safety Council reports that when the number of miles driven is taken into account, older drivers have a substantially higher violation and accident rate than their percentage of the driving population warrants.

Motor vehicle operators presently over the age of 55 usually learned to drive well before the advent of driver-training programs in the public school systems. The older driver who has completed a formal driver-training course is thus the exception rather than the rule.

While age alone is not a fair criterion for determining driving competence, there is no question that driving ability can be affected by the aging process. The gradual loss of sensory acuity associated with aging reduces the ability of the individual to react to traffic situations with the speed and judgement that current safe driving practice requires. Older drivers often have problems when involved in driving situations requiring quick response. Typical violations include failure to yield right-of-way, improper turning, incorrect lane changing, passing, and entering or leaving expressways.

The U.S. Department of Transportation, aware of the statistics regarding older drivers, sees a significant highway safety problem emerging as older drivers become more numerous on the nation's roads. DOT identifies older drivers as a group which requires special consideration in the development of driver-improvement training procedures.

The American Association of Retired Persons (AARP) has responded to the challenge by developing a driver-improvement course especially geared to the needs of older drivers. The Alaska Department of Public Safety has approved the course, and the program called 55 ALIVE/MATURE DRIVING is presently available in the state's urban areas.

Driver improvement courses for older motorists have proven so successful in promoting highway safety that 22 states and the District of Columbia have adopted legislation requiring insurance companies to award appropriate reductions of automobile liability insurance premiums to older drivers who have successfully completed a state-approved program.

Economic incentives have proven very effective in persuading people to do things that they really ought to do anyway. Many senior drivers have availed themselves of the insurance discounts offered in these states by taking the driver-improvement course and have, consequently, become better and safer drivers.

American Association of Retired Persons (over) 1909 K Street, N.W., Washington, D.C. 20049 (202) 872-4700

John T. Denning *President* Jack Carlson *Executive Director*

## 2--Automobile Insurance Discount for Older Drivers

Better drivers on the road lead to a reduction in preventable accidents, resulting in decreased costs for emergency services and medical welfare systems, as well as savings to the court system. It is interesting to note that no state which has adopted such legislation has ever repealed it.

Early in the 1987 legislative session, HB 36 was introduced by Speaker Grussendorf to accomplish similar objectives in Alaska. The bill was adopted by the House on March 13, 1987, but ran out of time before clearing the two Senate committees of referral--Labor and Commerce and Judiciary. There is no cost to the state resulting from passage of this bill; it carries no fiscal note.

The Alaska State Legislative Committee of AARP, on behalf of its 27,000 members in Alaska and in the interest of promoting public safety on our streets and highways for all Alaskans, strongly endorses adoption of CSHB 36 at the earliest possible time in the 1988 Alaska Legislative Session.

Adopted 9/87  
State Legislative Committee  
AAPP, Alaska

# AARP Highlights

12-1-87

## White House Honors 55 ALIVE Program

AARP's innovative 55 ALIVE/MATURE DRIVING Program received national recognition earlier this year when it was awarded the President's Citation for Private Sector Initiatives. The citation is one of the highest honors that can be bestowed on a private sector program.

Accepting the award July 23 at the White House on behalf of 55 ALIVE's 3,900 volunteers nationwide, then AARP Executive Director Cyril Brickfield remarked, "Our 55 ALIVE/MATURE DRIVING Program has helped thousands of older Americans improve their driving skills. I'm extremely proud of the AARP volunteers who make this program work and who made it possible for the Association to win this great distinction."

But the celebration didn't stop there. Word of the award spread quickly among the program's volunteers, creating a wave of enthusiasm that rippled across the country. In South Dakota, for example, 55 ALIVE State Coordinator Pete Gregor forwarded the news to Governor George Mickelson, who declared August 18, the day he was to meet with Gregor to discuss the program, "55 ALIVE Day" in the state. In his Executive Proclamation, Mickelson commended the volunteer instructors "for their time and efforts on behalf of the state of South Dakota."

★ ★ ★

AARP's commitment to driver education for older Americans began in 1969, when it started teaching the National Safety Council's Defensive Driving Course. After a decade of dramatic growth, the Association replaced that program with 55 ALIVE/MATURE DRIVING, the nation's first comprehensive driving curriculum tailored specifically to the needs of motorists age 50 and older. So far, the course has graduated more than 650,000 older drivers.

"Older drivers need a classroom course that emphasizes normal age-related physical and perceptual changes, and teaches them techniques to compensate for these changes," says Doris Pratt, 55 ALIVE Field Coordinator in Area IX. "They also need to review the rules of the road, local driving problems, and accident-prevention measures."

The drivers apparently agree, because they sign up, regardless of how long they've been driving. George Gebhardt, Assistant State Coordinator in Oregon, reports teaching a class recently in which he had a 95-year-old student. When Gebhardt asked the woman why at 95 she wanted to take a driver training course, she waggishly replied, "Because my husband told me that I'd better learn

to drive." Actually, she had been driving for more than 76 years.

In Maryland, the Montgomery County Commission on Aging was so impressed with the program that this summer the commissioners, their spouses, and drivers for the county's senior transportation programs took the course. From that class, four people were recruited as instructors to fill a shortage of instructors and courses in the county. Assistant State Coordinator Carmen Koefed notes, "We hope the Commission's involvement will set a precedent for aging commissions throughout the nation."

Perhaps the most eloquent testimony for the success of 55 ALIVE is that graduates often are eager to volunteer as instructors after they've completed the course. A case in point is Eva Studley of Grass Lake, Michigan, who took the course in 1977, at the age of 70, and who now serves as a volunteer instructor and Assistant State Coordinator, "We had 882 grads in Michigan last year from this course," says Studley. "I love it! If I can keep one person from being an accident victim I will have done something."

★ ★ ★

55 ALIVE also helps older people hold down the high cost of automobile insurance. Twenty-two states and the District of Columbia have enacted—and other states are considering—legislation requiring all automobile insurance companies conducting business in those states to provide a premium discount to graduates of state-approved driver improvement courses. 55 ALIVE is an approved course in every one of these states.

In addition, several automobile insurance companies in selected states voluntarily give discounts on premiums to 55 ALIVE graduates.

This is the second time an AARP volunteer program has been selected to receive the President's Citation. Last year Tax-Aide, AARP's free



55 ALIVE-MATURE DRIVING  
Alaska State Coordinator  
Mr. Joe Russo  
1505 W. 35th Avenue  
Anchorage, AK 99503  
(907) 274-4149

JAN 21 1988

Jan. 19, 1988

Senator Jalmar Kesttula  
Alaska State Legislature  
P.O. Box 6 (MS 3100)  
Juneau Alaska 99811

Beth

Dear Senator:

I am the State Coordinator of AARP 55 Alive/Mature Driving program for Alaska, and I am requesting your assistance in passage of the Mandatory Premium Reduction Bill known as H.B. 36.

I am enclosing a list of states which have passed the Premium Reduction Bill & these are circled. This list shows 20 states as approved.

I believe there are now 22 states that have approved this legislation & at least 2 more are under consideration.

This legislation, approved, will benefit the state of Alaska & its senior population, by reducing the risk of accidents & loss of lives, and will also be a great incentive for seniors to take the defensive training courses, regardless of who pays for the course. Also it is a cost saver.

I understand you are the Chairman of the Senate Judiciary Committee and this bill is now being considered by your committee. ←

I request that you read this letter to the members of your committee so that all your committee members will be aware of my views.

Thank you for your consideration of this important piece of legislation & hopefully your entire committee support for passage.

Sincerely  
Joe Russo  
(202) 872-4700

American Association of Retired Persons 1909 K Street, N.W., Washington, D.C. 20049

John F. Denang President Cyril F. Brickfield Executive Director

C.C.T

*circled states have mandatory premium no. reduction  
 laws in full force & effect*

1986 BUDGET  
 GRADUATE PROJECTIONS  
 ASSISTANT COORDINATOR TOTALS

AREA/ STATE	BUDGET	PROJECTED GRADUATES	AC's	AREA/ STATE	BUDGET	PROJECTED GRADUATES	AC's
I	\$42,000 (9,000)	6,900	29	VI	\$52,700 (10,500)	9,550	31
CT	12,000	4,000	10	IA	3,000	250	4
ME	1,500	300	2	KS	4,000	400	3
MA	4,100	600	6	MN	14,500	6,000	8
NH	2,500	400	4	MO	5,500	700	4
RI	9,400	1,200	3	NE	3,200	400	3
VT	3,500	400	4	ND	8,000	1,500	5
				SD	4,000	300	4
II	\$115,800 (10,500)	22,650	28	VII	\$121,000 (14,500)	27,500	57
DE	7,300	1,000	3	AR	15,700	4,000	9
NJ	2,000	150	3	LA	8,300	1,500	7
NY	87,000	20,000	16	NM	3,500	500	2
PA	9,000	1,500	6	OK	11,000	1,500	9
				TX	68,000	20,000	30
III	\$50,300 (8,700)	8,000	30	VIII	\$39,300 (12,500)	2,950	22
DC	1,200	500	2	CO	5,800	1,000	8
KY	9,000	2,000	4	MT	6,600	400	6
MD	5,000	700	5	UT	3,500	350	4
VA	18,000	3,800	10	WY	10,900	1,200	4
NC	4,000	500	4				
WV	4,400	500	5				
IV	\$95,900 (13,000)	19,050	55	IX	\$46,100 (13,000)	7,100	34
AL	2,400	350	4	AZ	7,500	1,800	7
FL	56,000	15,000	35	CA	20,000	4,800	24
GA	5,000	700	2	HI	3,300	300	1
MS	2,000	200	2	NV	2,300	200	2
SC	4,500	200	2				
IN	13,000	2,600	10				
V	\$52,800 (11,500)	8,700	41	X	\$38,800 (15,800)	3,600	26
IL	21,000	6,500	20	AK	2,000	200	2
IN	4,000	500	4	ID	3,500	200	6
MI	3,800	300	6	OR	8,000	1,200	8
OH	7,000	1,000	7	WA	9,500	2,000	10
WI	5,500	400	4				

REPRESENTATIVE  
BEN GRUSSENDORF

P. O. Box 928  
SITKA, ALASKA 99835  
(907) 747-8458

RULES COMMITTEE  
LEGISLATIVE COUNCIL

DISTRICT 3  
ELFIN COVE  
PELICAN  
PORT ALEXANDER  
SITKA  
TENAKEE

# Alaska State Legislature



WHILE IN JUNEAU  
P.O. Box V  
JUNEAU, ALASKA 99811  
(907) 465-3824  
(907) 465-3720

House of Representatives  
SPEAKER OF THE HOUSE

## MEMORANDUM

*Both filed  
& zeroed*

TO: Senator Jay Kerttula  
Chairman  
Senate Judiciary Committee

FROM: Rep. Ben Grussendorf  
Speaker

DATE: January 28, 1988

RE: HB 36 - "An Act requiring certain motor vehicle insurance policies to provide reduced rates for certain persons; and providing for an effective date."

Thank you for your consideration in scheduling HB 36 for a hearing in your committee. The primary purpose of the bill is to provide an incentive for people to take the 55 Alive driver improvement course which is offered by the AARP so that they become safer drivers. Statistics show that changing physical characteristics in those 55 years or older cause these drivers to have more accidents per mile. This course has been shown to be successful in dramatically reducing accidents. It is voluntary. The terms of any reduction in insurance premiums are left to the insurance companies, which gives the companies all the flexibility they desired and allows them to use their own actuarial findings to determine how much they can afford to reduce the rates.

I am attaching a copy of the AARP position paper and some concerns and responses. Mr. Bob Pavitt of the local AARP would like to testify on this bill at the hearing on Tuesday, February 2.

According to Michael Seaton of the national organization of the American Association of Retired Persons in Washington, D.C., there

are 22 states and the District of Columbia that already have similar legislation in place and there are four other states that are expected to pass similar legislation this year -- not counting Alaska. Those with similar legislation on the books:

Arkansas	Louisiana	Rhode Island
California	Minnesota	Tennessee
Connecticut	Mississippi	Texas
Delaware	Montana	Virginia
District of Columbia	North Dakota	Washington State
Florida	New Mexico	West Virginia
Kentucky	New York	Wyoming
Illinois	Oklahoma	

In Utah the 55 Alive Program has passed the House, in South Dakota it has passed the House Commerce Committee, in Ohio it has passed the House and in Alabama the insurance lobbyists have agreed to remain neutral on this legislation and there is good support for the legislation.

Almost all of the legislation in other states includes the provision to re-take the course every 3 years, though some states have set the time limit for every 2 years. There are two recent reports that have been done on the program, copies of which we hope to receive on Friday, January 29. One was done in New York State concerning the 150,000 graduates of the program. And another followed 84,000 people both before and after they took the course. According to Mr. Seaton these show a great reduction in accidents by those who take the course.

## Position Paper

### Automobile Insurance Discount

The State Legislative Committee of the American Association of Retired Persons proposes that legislative steps be taken to reduce automobile insurance premiums for motor vehicle operators age 55 and older who complete a state-approved driver education course.

Rationale: Motor vehicle operators age 55 and older are a unique population and have specific physiological considerations and driving problems. How do these individuals compare with age brackets in safe driving practice and incidence of accident?

In order to obtain an accurate picture it is not enough to consider only age and number of accidents, its necessary to factor in the annual number of miles driven per year. Research shows that the number of annual miles driven by motor vehicle operators begins to decline significantly after age 55. Therefore, an important consideration with regard to the safe driving practices and abilities of older persons is the criteria used to determine accident involvement statistics.

The record of the older driver is good when calculated on the basis of accidents per driver. When the same figures are examined on the basis of miles driven annually, a different picture emerges. This more significant and meaningful statistic highlights the urgent need for corrective measures to re-educate older drivers.

Because older persons drive fewer miles, corrections must be made for driving exposure. When this factor is included in accident involvement rates, and the involvement per exposure is determined, a U-shaped curve of accidents versus age results. Violation and accident rates per mile are higher for the youngest and oldest drivers and lower for those in the middle ranges. Although one can quibble over the exact placement of the curve, a general "U" configuration has emerged in every major study undertaken during the past 10 years.

The National Safety Council reports that when the number of miles driven is taken into account, drivers age 55 and over have a poorer accident record than drivers in their middle years.

The U. S. Department of Transportation identifies the older driver as being age 60 and older and in a group which requires special consideration in the development of driver improvement training procedures. The National Highway Safety Forecast points out that the older driver is adjudged at fault more than middle aged drivers, and due to the population age shifting currently underway in America, is perhaps one of the fastest growing highway safety problem areas.

Older drivers have problems when involved in driving situations requiring quick response, full vision and interaction with other drivers. Typical violations include failure to yield right-of-way, improper turning, incorrect lane changing, passing, and entering and leaving expressways.

The older driver learned to drive during the first forty years of this century, well before the advent of formal driver education programs in the public school systems. The older driver that has completed a formal driver training course is the exception rather than the rule.

These individuals may experience physical changes which affect driving abilities and attitudes. People age at different rates, so age alone is not a fair criterion for determining driving competence. There is no question, however, that driving ability can be affected by the aging process. The gradual failure of sensory acuity associated with aging reduces the quantity and accuracy of information capable of being processed. This reduces the ability of the individual to respond or react to his environment with the speed and judgment current traffic often requires.

Eighty-five to ninety percent of all sensory input needed to drive comes via the eye. Unfortunately, as one ages the need for more illumination increases, glare sensitivity rises, dark adaptation lessens, and peripheral vision narrows. Hearing loss also presents problems for older drivers. It is also broadly accepted that as one ages muscles tend to weaken or atrophy.

Primary Objective: By passage of this legislation, will create an economic incentive for older drivers to take a driver improvement course and thereby improve their driving capabilities. This reduces their chances of accident and accident claim filings, and creates a safer driving environment for all. Notably, the proposed legislation brings this about without cost to the state.

The older driver earns the driver improvement discount by taking a positive, preventive step. This incentive discount is given in addition to any other marketing discounts, such as for non-smokers, seat-belt wearers, those reaching a certain age, etc.

The automobile insurance industry writes policies on accidents per age group, and thus considers older drivers to be a reduced risk because of the fewer miles that they drive. In fact, some insurance companies reduce premiums for drivers after age 55 or 65, much the same as they do for drivers after age 25. The issue is not whether some automobile insurance companies may or may not reduce rates for older drivers as a marketing tool. The primary issue is reducing accidents per mile involving drivers age 55 and older.

Action in other states: Legislation has been enacted in 16 states and the District of Columbia which require all automobile insurance companies conducting business in those states to provide a premium reduction to graduates of state-approved driver improvement courses. The list now includes:

<u>State</u>	<u>Discount</u>	<u>Age</u>	<u>Effective Date</u>
AR	Approp. 5-20%	55+	1981
CT	Approp. Min. 5%	62+	1983
DE	10% on liab. & personal injury protection	16+	1982
DC	Approp. 5-10%	55+	1985
FL	Approp. reduction	65+	1986
KY	Approp. reduction	55+	1984

<u>State</u>	<u>Discount</u>	<u>Age</u>	<u>Effective Date</u>
IL	Approp. 5-10%	55+	1982
LA	Approp. 5-10%	55+	1984
MN	Approp. reduction	65+	1985
ND	Approp. 8-10%	55+	1983
NY	Min. 10% on liability	16+	1981
OK	Approp. reduction	55+	1986
RI	Approp. reduction	55+	1984
TN	Approp. 8-10%	55+	1984
TX	10% of premium	16+	1974
VA	Approp. reduction	55+	1985
WY	Not less than 10% of premium	60+	1983

Many other state legislatures are considering this legislation. It is hoped that will add this legislation to its statutes.

CONCERNS AND RESPONSES REGARDING OLDER  
DRIVER DISCOUNT LEGISLATION

Prepared by AARP's State Legislative Committee

- A. CONCERN: Since statistics seem to show drivers age 55 and older among the safest on the road, what is the rationale for legislation that would encourage participation at a driver improvement course?

RESPONSE: The National Safety Council finds that drivers age 55 and older have a poorer accident record, considering the number of miles driven, than do drivers in their middle years. The U. S. Department of Transportation statistics agree: older drivers are at fault more frequently than middle age drivers in accidents and violations reported by law enforcement officials.

It is not enough to consider only age and the number of accidents. From this limited perspective one sees that drivers 55 and older make up 24% of the driving population, yet are involved in only 18% of the accidents. But when driving exposure is considered, measured by the number of miles driven, older drivers have a higher percentage of accidents than their population warrants. Violation and accident rates per mile is higher for the youngest and oldest drivers, and lower for those in the middle range.

Research shows that the aging processes that affect driving generally become significant when persons reach their fifties. The U. S. Department of Transportation recommends that special consideration be given to older drivers when driver improvement courses are developed.

- B. CONCERN: Since a number of driver improvement courses already exist, why aren't older drivers enrolling?

RESPONSE: Older drivers do enroll in driver improvement courses, nationwide and here in . . . Many more will do so, however, when an economic incentive is available through legislative mandate. Experience in other states that have passed this type of legislation has shown that most people need an economic incentive to actively seek improvement of their driving skills. In . . . of our neighboring states, . . . experience with this legislation and . . . of older drivers are now enrolling there. Should . . . enact this bill, there will be accident claim reductions and fewer injuries and fatalities on our roads as well.

- C. CONCERN: It seems that older drivers are being singled out for special consideration. Isn't this age discrimination? Why not allow drivers of all ages to participate in any mandated insurance incentive program?

CONCERNS AND RESPONSES  
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RESPONSE: The American Association of Retired Persons is interested in resolving problems of older persons. However, if will pass legislation allowing discounts for all drivers attending driver improvement courses, we would not be opposed. We have been informed by numerous insurance companies and insurance trade associations that they are against legislation involving the younger driver. In fact they have fought against including drivers below age 55 in many states where legislation has been enacted for drivers age 55 and over. This legislation does not establish a special category of drivers in any discriminating sense. It simply recognizes an area of need and provides an incentive to help older drivers and the insurance industry reduce accidents and accident claims.

- D. CONCERN: Many automobile insurance companies already offer discounts for older drivers based on accidents per age group. Would this legislation jeopardize these discounts?

RESPONSE:

Sixteen states and the District of Columbia have already enacted similar legislation. The discount provided to graduates of approved driver improvement courses is the last discount applied. The automobile insurance industry writes policies on accidents per age group and thus considers older drivers a good risk, due to the fewer miles that they drive. In fact, some insurance companies reduce premiums for drivers after age 55 or 65, much the same as they do for drivers after age 25.

The goal of mandated legislation, however, is to provide an incentive discount on automobile insurance premiums that encourages older drivers to take a driver improvement course and to reduce the chances of accidents and claim filings. The driver earns the discount by taking a positive prevention step, unrelated to any other discount.

The discount given graduates of approved driver education courses is given in addition to any other marketing discounts provided to non smokers, seat belt wearers, those reaching a certain age, etc. None of these marketing discounts was dropped when states mandated this legislation.

- E. CONCERN: Would drivers not involved in driver improvement courses have to subsidize the discount provided to those who complete one of the approved courses by paying higher premiums?

RESPONSE: This has not been the case in the other mandated states. In Texas where the insurance discount has been in effect for 10 years, the phrase used by insurance companies is that the discount is "fully earned". Although most states recently enacted this legislation, it is our belief that time will show an accident and violation reduction. The insurance companies will save money due

CONCERNS AND RESPONSES  
Page Three

to fewer accident claim filings. As a consequence drivers not participating in the mandated insurance driver improvement program will not pay a higher premium, but will be encouraged by their insurance companies to enroll in a driver improvement course.

- F. CONCERN: Why must the word mandated to be included in the language? Can't the language be changed to allow voluntary participation?

RESPONSE: Any company may provide a voluntary discount at present. Unfortunately, few have chosen to do so. If all are required to participate, insurance companies have said that they would go along.

- G. CONCERN: The legislation includes the term "appropriate reduction" and contains a retake feature. What does this mean?

RESPONSE: The term "appropriate reduction" would allow competition within the insurance industry of \_\_\_\_\_ to set the reduction percentage. In other words, if the bill becomes law, no one would dictate the terms of an "appropriate reduction" to the state's insurance industry. Each company in the state would set its own discount rate and be able to raise or lower the percentage each year based on the accident claims experience of policyholders that graduate from approved driver improvement courses.

Experience in other states with similar legislation has demonstrated the competitiveness of this feature. Companies have selectively increased refresher course discounts as a marketing tool to attract new clients.

The insurance trade associations also feel that any individual graduating from an approved course should retake an approved curriculum every two or three years. This keeps information current, and also refreshes the driver on necessary skills and techniques to remember.

- II. CONCERN: What research is available to prove driver improvement courses work?

RESPONSE: Numerous studies have been conducted on the well known courses, and the results demonstrate effectiveness. It is worth noting that no state has rescinded this type of legislation, and to remember the 10 years' experience in Texas that finds discounts to be "fully earned".

The insurance industry, however, considers these evaluations to be limited tests that do not demonstrate 'statistical significance' in their accident or violation reduction findings. In order to

CONCERNS AND RESPONSES  
Page Four

satisfy the insurance industry, and demonstrate 'statistical significance', an older driver course evaluation must involve 20,000-30,000 students, randomly assigned to a control group that doesn't take the course and a treatment group that completes the course. Both groups need to be followed for a period of time via questionnaires and a sample of Department of Motor Vehicle records must be accessed to validate self report forms. Financially and logistically, this has proved impossible for course developers. The insurance industry has not been willing to initiate a study of this size or to work with course developers.

I. CONCERN: Does AARP make money on its driver improvement course?

RESPONSE: No. AARP actually subsidizes approximately two-thirds of overall program costs, and charges each participant a minimal fee to offset the balance of expenses. Sponsors' purpose behind driver improvement courses, at least for the major well-known programs, is education rather than financial reward. But AARP is not in a position to speak conclusively for other organizations.

J. CONCERN: Why is it that several of the states which have passed this legislation have only a small percentage of eligible drivers participating to date?

RESPONSE: Although approved courses are widely publicized, they need help from the insurance companies to notify potential participants. Automobile insurance companies doing business in \_\_\_\_\_ should be requested to notify their eligible policyholders that the discount can be obtained upon completion of an approved course.

K. CONCERN: How would the legislation be implemented?

RESPONSE: In the proposed legislation, an appropriate state agency is designated to select the courses that will be approved for the mandated insurance discount program. In most states the Department of Motor Vehicles has been selected. Program regulations and guidelines are usually drawn up in consultation with officials of states which have already passed similar legislation.

L. CONCERN: Will this legislation cost the state anything?

RESPONSE: There is no fiscal note for the state.

FOR FURTHER INFORMATION REGARDING THIS PROGRAM WRITE:

AARP  
Traffic & Driver Safety Program  
1909 K Street, N.W.  
Washington, D.C. 20049

Summary Analysis  
55 Alive/Mature Driving

Rank Among 52 Jurisdictions

AREA	# of 1983 Graduates	# of 1984 Graduates	# of 1985 Graduates	+ or - # 1984-1985	% + or - 1984-1985	Penetration Rate (% Grads to 50+ Driver Population)	# Grads	# +	# -
IX	2,208	3,725	6,212	2,487	67%	.112%	7	6	6
AZ	871	900	1,461	561	62%	.249%	12	21	37
CA	1,212	2,661	4,599	1,938	73%	.099%	6	6	34
HI	113	70	76	6	9%	.051%	47	47	47
NV	12	94	76	-18	-19%	.043%	48	48	50
AREA X	710	1,087	2,973	1,886	174%	.185%	9	9	3
AK	-	28	128	100	357%	.272%	44	38	8
ID	33	19	70	51	268%	.038%	49	41	10
OR	130	390	1,165	775	199%	.209%	15	12	16
WA	547	650	1,610	960	148%	.197%	11	10	25
TOTAL	61,179	60,177	98,941	38,764	64%	.218%			



## 55 ALIVE/MATURE DRIVING

### Background

The AMERICAN ASSOCIATION OF RETIRED PERSONS was founded in 1958. Today the Association is the nation's leading nonprofit, nonpartisan organization that provides a vital fellowship for men and women age 50 and over whether they are still actively employed, semi-retired or retired.

Currently the Association's membership stands at just over 19 million and continues to grow at a rate of 200,000 new members each month. Approximately 1 out of every 3 Americans age 50 and over belongs to AARP. For interested members there are more than 5,000 chapters nationwide which work for local community welfare, carry on programs to support the goals of the national organization, and provide educational and social programs.

One of AARP's most significant services is to inform and rally members around legislative issues being considered by older persons.

Recognizing the need to help older drivers improve their skills and prevent traffic accidents, AARP offers 55 ALIVE/MATURE DRIVING to all motorists age 50 and over. The eight hour classroom refresher is the first nationwide, comprehensive curriculum designed especially for the older motorist. 55 ALIVE/MATURE DRIVING is available to both Association members and non-members.

AARP's involvement in Driver Improvement education for older Americans began in 1969. In that year the Association commenced teaching the National Safety Council's (NSC) Defensive Driving Course (DDC) to older Americans nationwide. The program grew dramatically each year and by 1979, when the DDC was phased out, more than 400,000 older Americans had completed the course. In addition, the National Safety Council honored AARP as the number one civilian trainer of drivers every year between 1969 and 1979. The ten consecutive awards cite outstanding contributions to adult driver education.

One reason for the program's extraordinary growth rate was the enthusiastic response from Association members who volunteered to become instructors. More than 4,000 instructors age 50 and over were trained by AARP during the involvement with DDC.

Beneficial as this training effort was, the DDC program had some limitations for older motorists. It was felt that another program was needed. The DDC was not geared to compensate for the age-related physical changes of older persons. It was designed for all drivers age 16 and over. As such, areas which are not seen as serious problems for the older driver are given considerable emphasis. Age-related areas of importance are not covered in detail during the DDC presentation. In developing a specific classroom refresher curriculum for older motorists it was concluded that age-related physical changes, declining perceptual skills, rules of the road, local driving problems and license renewal merited prime consideration.

An additional change deemed necessary was in the manner of program presentation. Older adults learn best and have the greatest retention rate when the opportunity to participate in the learning process is maximized.

Convinced that older drivers should have a training program of their own, AARP decided to create one. Data was collected from all the nation's state departments of motor vehicles, state agencies on aging, state offices of highway safety and state departments of transportation. Along with that canvassing, materials were reviewed and contributions received from Safety Councils, Associations, Universities and various agencies of the federal government. Discussions were held with many of the nation's distinguished traffic safety educators to obtain their views regarding the needs of older drivers. During this process a total of 12 older driver courses were uncovered that had been developed since 1961. Most were shortlived but they were examined for their successes and failures. The result is the first comprehensive driver education program fashioned specifically to meet the needs of older motorists. The new program is titled 55 ALIVE/MATURE DRIVING.

## Development

55 ALIVE/MATURE DRIVING concentrates on those driver education concerns important for older Americans.

In the United States, there are approximately 45 million registered drivers age 50 and over. This constitutes 30% of all drivers on the nation's roadways. According to U.S. Government figures this is expected to increase significantly by 1990. It is anticipated that women drivers over age 65 will increase 129% over the next five years.

Drivers over age 50 are a unique population and have specific physiological considerations and driving problems. 55 ALIVE/MATURE DRIVING is aimed at this target population. How do these individuals compare with other age brackets in safe driving practice and incidence of accidents? In order to obtain an accurate picture it is not enough to consider only age and number of accidents, it is necessary to factor in the annual number of miles driven per year. Research shows that the number of annual miles driven by motor vehicle operators begins to decline significantly after age 55. Therefore, an important consideration with regard to the safe driving practices and abilities of older persons is the criteria used to determine accident involvement statistics. The record of the older driver is good when calculated on the basis of accidents per driver. When the same figures are examined on the basis of miles driven annually a different picture emerges. This more significant and meaningful statistic highlights the urgent need for corrective measures to re-educate older drivers.

Since older persons drive fewer miles, corrections must be made for driving exposure. When this factor is included in accident involvement rates, and the involvement per exposure is determined, a U-shaped curve of accidents versus age results. Violation and accident rates per mile are higher for the youngest and oldest drivers and lower for those in the middle ranges. Although one can quibble over the exact placement of the curve, a general "U" configuration has emerged in every major study undertaken during the past 30 years.

The National Safety Council reports that when the number of miles driven is taken into account, drivers age 55 and over have a poorer accident record than drivers in their middle years.

The U.S. Department of Transportation identifies the older driver as being age 60 and older and a group which requires special consideration in the development of driver improvement training procedures. The National Highway Safety Forecast points out that the older driver is adjudged at fault more frequently than middle aged drivers, and due to the population age shifting currently underway in America, is perhaps *one of the fastest growing highway safety problem areas*.

Older drivers do not commit traffic violations such as speeding, drunk driving or reckless driving to any significant degree.

Older drivers do have problems when involved in driving situations requiring quick response, full vision and interaction with other drivers. Typical violations include failure to yield right-of-way, improper turning, incorrect lane changing, passing, and entering and leaving expressways.

The older driver learned to drive during the first forty years of this century, well before the advent of formal driver education programs in the public school systems. The older driver that has completed a formal driver training course is the exception rather than the rule.

These individuals may experience physical changes which affect driving abilities and attitudes. People age at different rates so age alone is not a fair criterion for determining driving competence, and there is no question that driving ability can be affected by the aging process. The gradual failure of sensory acuity associated with aging reduces the quantity and accuracy of information capable of being processed. This reduces the ability of the individual to respond or react to his environment with the speed and judgement current traffic often requires.

Eighty-five to ninety percent of all sensory input needed to drive comes via the eye. Unfortunately, as one ages the need for more illumination increases, glare sensitivity rises, dark adaption lessens, and peripheral vision narrows. Hearing loss also presents problems for older drivers. It is also broadly accepted that as one ages muscles tend to weaken or atrophy.

Research shows that normal age related physical changes begin to accelerate at age 55. Accidents per mile driven begin to increase at this same age. This is the reason we call the course 55 ALIVE/MATURE DRIVING. The course title has nothing to do with the 55 mph speed limit.

We accept all motor vehicle drivers age 50 and over because this action allows the 50-54 year old age group to prepare for the normal age related physical changes and anticipate accident behavior. It gives them a head start.

## **Curriculum: Edition II**

The 55 ALIVE/MATURE DRIVING curriculum consists of six separate sessions. The course is given three sessions at a time over a two day period. Each three session segment lasts four hours.

### **Session One: Overview**

To define course content, a series of slides describes the characteristics of the driver age 55 and over and establishes the relevance of the curriculum that will follow. Group discussion centers on driving frustrations and effects of aging on individual driving behavior.

### **Session Two: Physical Changes**

Discussion is held on the many unrecognized but normal losses in vision, hearing and reaction time as they relate to driving performance. The session concludes with an examination of the effects of alcohol and medication on driving.

### **Session Three: interacting with Traffic**

Basic rules of driving particularly pertinent to the 55+ driver are discussed. These include right-of-way, intersections, turning and passing. A review of the shapes, colors and types of road signs as well as pavement markings is featured.

### **Session Four: Interacting with Traffic Continued . . . and Safety Belts**

A discussion of the rules of the road continues with entering and leaving freeways, parking and backing. Safety belt usage and nonusage is considered as well as what a driver can expect if involved in an accident while not wearing a safety belt.

### **Session Five: Accident Prevention Measures, Adverse Driving Conditions, Other Road Users and Auto Maintenance**

Accident prevention measures and the effect of adverse driving conditions such as night, inclement weather and rush hour driving are considered. Discussion of other road users spotlights pedestrians, bicycles, trucks, motorcycles, towed vehicles, and stray animals. Proper techniques for handling unexpected driving emergencies are reviewed. Fuel economy measures are recommended. Suggestions are made regarding comparison shopping for automobile insurance. The proper way to maintain your automobile is discussed.

### **Session Six: Perception and Course Wrap-up**

A series of slides present perceptual problems likely to be encountered in various driving environments. Group discussion focuses on major driving hazards in specific driving environments. A brief review of the previous sessions conclude the course.

## **Conduct Of Courses**

Courses are conducted by volunteers aged 50 and over utilizing the peer concept. These volunteers are recruited and trained by AARP in a three phase process. An Instructor Training Session provides the overall training to conduct educational discussion groups and review educational learning skills. In the second phase the Instructor's first course is conducted as a practice teaching session in that it is monitored by the trainer. The last phase is an on-going supervision process supplemented by in-service training workshops held regularly. All of these costs are subsidized by the Association.

Each participant in 55 ALIVE/MATURE DRIVING is charged a minimal fee to help offset overall program costs which include instructor recruitment and training, instructor out-of-pocket expenses, ongoing supervisory training nationwide, and program materials and their distribution. AARP subsidizes the remaining expenses amounting to 50%. Each Instructor volunteers his/her time and recruits sponsors who provide a rental free facility and slide projector.

## **Evaluation**

Between 1979 and 1981 55 ALIVE/MATURE DRIVING was subjected to one of the most exhaustive, independent and penetrating evaluations of any driver education curriculum on the market today by the U.S. Department of Transportation.

The two-year evaluation included random assignment of participants into a control group and treat-

ment group. The control group did not take the course but filled out a series of questionnaires, at one year intervals, on their driving behavior and attitudes; personal accident and violation data were requested for the last three years. The control group also completed several knowledge tests during this same period.

The treatment group completed 55 ALIVE/MATURE DRIVING and filled out the same questionnaires as the control group in the same one-year intervals over a two-year period. Project staff accessed state DMV records on a good sample of treatment and control group members to validate the self-report questionnaires completed by both groups.

Evaluation staff members have been concerned from the outset that, due to reduced annual mileage after age 55, older drivers take longer to have accidents, and it would be difficult in this limited evaluation to demonstrate statistical significance in accident and violation reduction. This proved to be the case.

Project researchers found a large and statistically significant increase in knowledge in the treatment group that was retained during the entire evaluation period. Drivers taking the 55 ALIVE/MATURE DRIVING course showed a trend in violation reduction; although numbering several thousand, the evaluation participants were not large enough in numbers to demonstrate statistical significance regarding accidents.

### Insurance Reduction

Currently several automobile insurance companies voluntarily provide premium reductions to graduates of 55 ALIVE/MATURE DRIVING in selected states. In addition legislation has been enacted in 14 states and the District of Columbia which require all Automobile Insurance companies conducting business in those states to provide a premium discount to graduates of state-approved Driver Improvement courses. AARP's 55 ALIVE/MATURE DRIVING is approved in every state.

The list now includes:

<i>State</i>	<i>Discount</i>	<i>Age</i>	<i>Effective Date</i>
AR	Approp. 5-20%	55 +	1981
CT	Approp. Min. 5%	62 +	1983
DE	10% on liab. & personal injury protection	16 +	1982
DC	Approp. 5-10%	55 +	1985
KY	Approp. reduction	55 +	1984
IL	Approp. 5-10%	55 +	1982
LA	Approp. 5-10%	55 +	1984
MN	Approp. reduction	65 +	1985
ND	Approp. 8-10%	55 +	1983
NY	Min. 10% on liability	16 +	1981
RI	Approp. reduction	55 +	1984
TN	Approp. 8-10%	55 +	1984
TX	10% of premium	16 +	1974
VA	Approp. reduction	55 +	1985
WY	Not less than 10% of premium	60 +	1983

Many other states are currently considering this mandated legislation.

We know that 55 ALIVE/MATURE DRIVING will substantially improve the driving skills of older motorists. We're convinced the program will help older drivers update driving knowledge, sharpen skills and remain on the road longer. Under this program we will be able to reach out to the entire community and offer the services to all people age 50 and over, not just Association members. As a result, a lot more people will benefit. In fact, we believe in time the program could emerge as a national model for traffic safety officials.

### For Further Information Regarding This Program Write:

AARP  
 Traffic & Driver Safety Program  
 Program Department  
 1909 K Street, N.W.  
 Washington, DC 20049

STATE OF ALASKA  
1988 LEGISLATIVE SESSION

BILL VERSION: SCS CSHB 36(Jud)  
PUBLISH DATE: 02/05/88

FISCAL NOTE

REQUEST:

Revision Date: 02/05/88  
Title: Motor vehicle insurance policies  
to provide reduced rates  
Sponsor: Senate Judiciary  
Requester: Senate Judiciary

Agency Affected: Commerce & Economic Dev.  
BRU: Insurance  
Components: Public Protection

EXPENDITURES / REVENUES : (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
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	0.0	0.0	0.0	0.0	0.0	0.0
REVENUE	0.0	0.0	0.0	0.0	0.0	0.0

FUNDING: (Thousands of dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME	0.0	0.0	0.0	0.0	0.0	0.0
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary.)

Prepared by: John L. George, Director *Prepared for John George* Phone: 465-2515  
Division: Division of Insurance Date: February 5, 1988  
Approved by Commissioner: J. Anthony Smith *James J. Smith* Date: February 8, 1988  
Agency: Department of Commerce and Economic Development

Distribution (by preparer):

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

page 1 of 1

dg1/0644K/020588a

5-0267N ✓  
Ford  
2/3/88

Original sponsors: Grussendorf and  
Gruenberg

1 IN THE HOUSE BY THE JUDICIARY COMMITTEE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 36 (Judiciary)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act requiring certain motor vehicle insurance  
7 policies to provide reduced rates for certain per-  
8 sons; and providing for an effective date."

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

10 \* Section 1. AS 21.89.020 is amended by adding new subsections to read:

11 (f) An insurer shall provide an appropriate reduction in the  
12 premium charged for a motor vehicle casualty insurance policy when the  
13 principal operator of the motor vehicle covered by the insurance  
14 policy

15 (1) is 55 years of age or older;

16 (2) requests the insurer to provide the reduction;

17 (3) provides the insurer with proof satisfactory to the  
18 director that the operator has within the three years before request-  
19 ing the reduction taken and successfully completed a motor vehicle  
20 accident prevention course approved by the Department of Public Safety  
21 under AS 28.05.035; and

22 (4) did not take and complete the accident prevention  
23 course described in (3) of this subsection as a result of an order or  
24 sentence imposed by a court.

25 (g) An insurer may cancel a rate reduction provided under (f) of  
26 this section if during the policy period the principal operator of the  
27 insured motor vehicle is

28 (1) involved in an accident caused by the operator; or

29 (2) convicted of a moving traffic violation.

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(h) The reduced rate provided for an operator under (f) of this section may not extend beyond three years after the last day of the operator's most recently successfully completed motor vehicle accident prevention course described in (f)(3) of this section.

\* Sec. 2. AS 28.05 is amended by adding a new section to read:

Sec. 28.05.035. COMMISSIONER MAY APPROVE ACCIDENT PREVENTION COURSES. For the purposes of AS 21.89.020(f)(3), the commissioner may approve driver education courses intended to prevent motor vehicle accidents and promote safe driving practices.

\* Sec. 3. APPLICABILITY. This Act applies to policies of motor vehicle casualty insurance entered into or renewed on or after October 1, 1988.

\* Sec. 4. This Act takes effect October 1, 1988.

STATE OF ALASKA 1987 LEGISLATIVE SESSION  
FISCAL NOTE

REQUEST: \_\_\_\_\_

Bill Version: CSHB 36(L&C)  
Publish Date: HOUSE 2/20/87

Revision Date: \_\_\_\_\_  
Title: An Act requiring certain motor vehicle insurance policies to provide...  
Sponsor: Grussendorf  
Requestor: House Labor & Commerce Comm.

Agency Affected: Public Safety  
BRU: Motor Vehicles  
Components: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

No fiscal impact on this department.

Prepared by: Bill Brown Phone: 465-4335  
Division: Motor Vehicles Date: 1-23-87  
Approved by Commissioner: [Signature] Date: 1/23/87  
Agency: Public Safety

- Distribution (by preparer):
- Legislative Finance
  - Legislative Sponsor
  - Requestor
  - Office of Management and Budget
  - Impacted Agency(ies)
  - Senate Secretary

JNR  
1/23/87

STATE OF ALASKA 1987 LEGISLATIVE SESSION  
FISCAL NOTE

REQUEST: \_\_\_\_\_

Bill Version: CSHB 36(L&C)  
Publish Date: HOUSE 2/20/87

Revision Date: \_\_\_\_\_

Agency Affected: Commerce & Econ. Dev.  
BRU Insurance

Title: An Act requiring certain motor vehicle policies to provide reduced rates for certain persons.

Sponsor: Grussendorf

Components: Public Protection

Requestor: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	F	FY 88	FY 89	FY 90	FY 91	FY 92
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-
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REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
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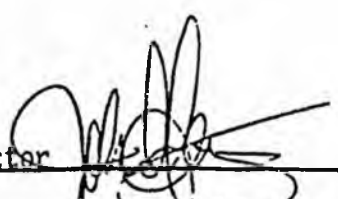
FUNDING: (Thousands of Dollars)


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

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary)

Prepared by: John L. George, Director  Phone: 465-2515  
Division: Division of Insurance Date: February 2, 1987

Approved by Commissioner: J. Anthony Smith  Date: February, 1987  
Agency: Commerce and Economic Development

Distribution (by preparer):  
Legislative Finance  
Legislative Sponsor  
Requestor  
Office of Management and Budget  
Impacted Agency(ies)  
Senate Secretary

0455K2287a

cc

BILL NO: HB36

DATE: January 23, 1987

TITLE: An Act requiring certain motor vehicle insurance policies to provide reduced rates for certain persons

CONTACT: Bill Brown 465-4335

DEPARTMENT OF PUBLIC SAFETY

The bill requires an insurance company to reduce motor vehicle casualty insurance premiums by 10% if an applicant is 55 years of age or older, has recently taken an accident prevention course approved by the Department of Public Safety, and asks for the reduction.

The department currently approves driver improvement courses for a reduction of points under AS 28.15.241(b). Since these courses must meet the criteria set out in Section 2 of this bill, there will be little impact on the department as the same courses would be applicable for the premium reduction.

The department is neutral on this bill.

WILLIAM R. NIX  
Acting Commissioner

RECEIVED

backup

BILL NO: SCSCSHB 36(L&C)

DATE: May 13, 1987

TITLE: An Act requiring certain motor vehicle insurance policies to provide reduced rates for certain persons.

CONTACT: Bill Brown  
465-4335

MAY 15 1987

DEPARTMENT OF  
PUBLIC SAFETY

This bill requires an insurance company to provide an appropriate reduction in the premium charged for motor vehicle casualty insurance if an applicant is 55 years of age or older, has recently taken an accident prevention course approved by the Department of Public Safety, and meets other criteria.

The department currently approves driver improvement courses for a reduction of points under AS 28.15.241(b). Since these courses must meet the criteria set out in Section 2 of this bill, there will be little impact on the department as the same courses would be applicable for the premium reduction.

The department is neutral on this bill.

  
Arthur English  
Commissioner

RECEIVED

STATE OF ALASKA 1987 LEGISLATIVE SESSION  
FISCAL NOTE

Bill Version : SCSCSHB 36(L&C)  
Publish Date : \_\_\_\_\_

REQUEST: \_\_\_\_\_

Revision Date: \_\_\_\_\_  
Title: An Act requiring certain motor vehicle insurance policies to provide...  
Sponsor: Grussendorf & Gruenberg  
Requestor: Senate Judiciary

Agency Affected: Public Safety  
BRU: Motor Vehicles  
Components: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

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

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

.S : (Attach a separate page if necessary)

No fiscal impact on this department.

JWR  
5/13/87

Prepared by: Bill Brown  
Division: Motor Vehicles  
Approved by Commissioner: [Signature]  
Agency: Public Safety

Phone: 465-4335  
Date: 5-13-87  
Date: 5/13/87

- Distribution (by preparer):
- Legislative Finance
  - Legislative Sponsor
  - Requestor
  - Office of Management and Budget
  - Impacted Agency(ies)
  - Senate Secretary

HB

44

Original sponsors: Donley, Collins  
and Davidson

1 IN THE HOUSE

BY THE JUDICIARY COMMITTEE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 44 (Judiciary)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to motor vehicle liability insurance  
7 and vehicle registration; and providing for an effective  
8 date."

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

10 \* Section 1. AS 21.36 is amended by adding a new section to read:

11 Sec. 21.36.045. NOTICE OF LIMITED MOTOR VEHICLE INSURANCE. (a)

12 An insurance policy that provides coverage only against property  
13 damage to a motor vehicle and that does not provide liability coverage  
14 as required under AS 28.22.010(d) must contain the following statement  
15 printed in bold face type: "This policy provides insurance only  
16 against damage to the motor vehicle. This policy does not insure  
17 against bodily injury, death, or property damage liability and does  
18 not satisfy the mandatory motor vehicle liability insurance require-  
19 ments of AS 28.22.010."

20 (b) If the insured under (a) of this section is not the owner of  
21 the motor vehicle, a copy of the policy shall be provided to the  
22 owner.

23 \* Sec. 2. AS 21.89.020 is amended by adding a new subsection to read:

24 (f) An automobile liability insurance policy must provide that  
25 all expenses and fees, not including counsel fees, incurred because of  
26 arbitration or mediation shall be paid as determined by the arbitra-  
27 tor.

28 \* Sec. 3. AS 28.10.021(a) is amended to read:

29 (a) The owner of a vehicle subject to registration shall apply

1 for registration under this chapter by properly completing the form  
2 prescribed by the commissioner under AS 28.05.041. Before the issu-  
3 ance of a certificate of registration by the department, the owner  
4 shall

5 (1) pay all registration fees and taxes required under this  
6 chapter and federal heavy vehicle use taxes required under 26 U.S.C.  
7 4481 (Internal Revenue Code of 1954);

8 (2) unless the owner qualifies as a self-insurer under  
9 AS 28.20.400, or is exempted from obtaining liability insurance under  
10 AS 28.22.200, certify to the department the existence of a motor  
11 vehicle liability policy that complies with AS 28.22.200 for the  
12 vehicle being registered; in this paragraph, "certify" means to indi-  
13 cate by check-off on the vehicle registration form prescribed by the  
14 department the existence of a policy of insurance, if a policy is  
15 required at that time, and the intention to continue the policy or  
16 obtain a policy as required by this subsection; and

17 (3) [SHALL] comply with [ANY] other applicable statutes and  
18 regulations.

19 \* Sec. 4. AS 28.10.041(a) is amended to read:

20 (a) The department may refuse to register a vehicle if

21 (1) the application contains a false or fraudulent state-  
22 ment;

23 (2) the applicant fails to furnish information required by  
24 the department;

25 (3) the applicant is not entitled to the issuance of a  
26 certificate of title or registration under this chapter;

27 (4) the vehicle is determined to be mechanically unsafe to  
28 be driven or moved on a highway, vehicular way or area, or other  
29 public property in the [THIS] state;

1 (5) the department has reasonable grounds to believe that  
2 the vehicle was stolen or fraudulently acquired or that the granting  
3 of registration would be a fraud against the rightful owner or other  
4 person having a valid lien upon the vehicle;

5 (6) the registration of the vehicle has been suspended or  
6 revoked for any reason under the laws of the [THIS] state;

7 (7) the required fees or taxes have not been paid;

8 (8) the vehicle or applicant fails to comply with this  
9 chapter or regulations authorized by this section;

10 (9) the vehicle is without a certificate of inspection  
11 required under AS 28.32.010;

12 (10) the vehicle is subject to a state-approved local  
13 emission inspection program adopted by municipal ordinance under  
14 AS 46.03.210, and the vehicle does not meet the standards of that  
15 program, unless the vehicle uses a fuel source that does not primarily  
16 emit carbon monoxide;

17 (11) the applicant fails to certify to the department the  
18 existence of a motor vehicle liability policy that complies with  
19 AS 28.22.010 for the vehicle being registered, unless the owner of the  
20 vehicle qualifies as a self-insurer under AS 28.20.400, or is exempted  
21 from obtaining liability insurance under AS 28.22.200.

22 \* Sec. 5. AS 28.10.051 is amended by adding a new subsection to read:

23 (b) Unless the owner qualifies as a self-insurer under AS 28.-  
24 20.400, or is exempted from obtaining liability insurance under  
25 AS 28.22.200, the department may suspend or revoke the registration of  
26 a vehicle that is not insured by a motor vehicle liability policy that  
27 complies with AS 28.22.010.

28 \* Sec. 6. AS 28.10.421(c) is amended to read:

1 imposed and are based upon the actual unladen weight as established by  
2 the manufacturer's advertised weight or upon the actual weight which  
3 the owner shall furnish, subject to the approval of the commissioner  
4 or the commissioner's representative, for a vehicle, including a motor  
5 vehicle pulling a trailer or semi-trailer, used or maintained for the  
6 transportation of passengers for hire, excepting taxicabs and buses  
7 under (b) of this section, or for the transportation of property for  
8 hire or for other commercial use, including a commercial vehicle such  
9 as a trailer, semi-trailer, truck, wrecker, tow car, hearse, ambu-  
10 lance, and tractor, as follows:

- 11 (1) up to and including 5,000 pounds . . . . . \$51 [\$50];  
12 (2) more than 5,000 pounds to and including 12,000 pounds .  
13 . . . . . \$36 [\$85];  
14 (3) more than 12,000 pounds to and including 18,000 pounds  
15 . . . . . \$156 [\$155];  
16 (4) more than 18,000 pounds . . . . . \$221 [\$220].

17 \* Sec. 7. AS 28.10.421 is amended by adding a new subsection to read:

18 (f) The fees collected by the department under this section  
19 shall be deposited in the general fund. The Department of Adminis-  
20 tration shall separately account for three percent of the fees col-  
21 lected under this section and deposited in the general fund. The  
22 annual estimated balance in the account may be used by the legislature  
23 to make appropriations for administration of AS 28.10.021(a) and  
24 AS 28.22 (Alaska Mandatory Automobile Insurance Act).

25 \* Sec. 8. AS 28.15.255(c) is amended to read:

26 (c) In this section, the term "proof of financial responsibility  
27 [FOR THE FUTURE]" has the meaning given in AS 28.20.630 [AS 28.20.-  
28 230(b)] and may be established as provided in AS 28.20.

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Sec. 28.20.630. DEFINITIONS [DEFINITION]. In this chapter, unless the context otherwise requires,

(1) "judgment" ["JUDGMENT"] means a judgment that [WHICH] is final by expiration without appeal of the time within which an appeal may be taken, or final by affirmation on appeal, given by a court of a [ANY] state or of the United States, upon a cause of action arising out of the ownership, maintenance, or use of a vehicle of a type subject to registration under the laws of this state, for damages, including damages for care and loss of services, because of bodily injury to or death of a person, or for damages because of injury to or destruction of property, including the loss of use of property, or upon a cause of action on an agreement of settlement for such damages;

(2) "proof of financial responsibility" means an owner's motor vehicle liability policy that covers all vehicles owned by the person that are subject to registration in this state, or if the person does not own a vehicle, proof required under AS 28.20.390.

\* Sec. 10. AS 28.22.200 is amended by adding a new subsection to read:

(c) In this section, "operator" does not include an employee who operates, during the course and within the scope of the employment, a motor vehicle that is owned or leased by the operator's employer.

\* Sec. 11. AS 28.22 is amended by adding a new section to read:

Sec. 28.22.610. SHORT TITLE. This chapter may be cited as the Alaska Mandatory Automobile Insurance Act.

\* Sec. 12. Sections 1 and 2 of this Act apply to automobile liability insurance policies entered into or renewed on or after January 1, 1989.

\* Sec. 13. AS 28.20.230(b) is repealed.

\* Sec. 14. Sections 17, 18, 19, 20, and 23 of ch. 70, SLA 1984, are

1 \* Sec. 15. Sections 1 - 13 of this Act take effect January 1, 1989.

2 \* Sec. 16. Section 14 of this Act takes effect immediately under  
3 AS 01.10.070(c).

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HB

57

FISCAL NOTE

Bill Version: CS SS HB 57(Fin)  
 Publish Date: HOUSE 4/13/87

PEQUEST \_\_\_\_\_  
 Revision Date: \_\_\_\_\_  
 Title: "An act establishing the Alaska children's trust fund..."  
 Sponsor: Goll, Brown, et al  
 Requestor: HOUSE FINANCE I

Agency Affected: Revenue  
 BRU: Administrative Services  
 Components: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
<b>OPERATING</b>						
PERSONAL SERVICES	-	28.2	17.0	17.0	17.0	17.0
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	5.0	5.0	5.0	5.0	5.0
SUPPLIES	-	0.2	0.2	0.2	0.2	0.2
EQUIPMENT	-	-	-	-	-	-
LANDS & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
<b>TOTAL OPERATING</b>	-	33.4	22.2	22.2	22.2	22.2
<b>CAPITAL</b>	-	-	-	-	-	-
<b>REVENUE</b>	-	-	-	-	-	-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	33.4	22.2	22.2	22.2	22.2
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
<b>TOTAL</b>	-	33.4	22.2	22.2	22.2	22.2

POSITIONS:

FULL-TIME	-	-	-	-	-	-
PART-TIME	-	4	3	3	3	3
TEMPORARY	-	-	-	-	-	-

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Al Adams Chair  
 Division: House Finance Committee

APA

Phone: 465-3706  
 Date: 4/11/87

Approved by Commissioner: \_\_\_\_\_  
 Agency: \_\_\_\_\_

Date: \_\_\_\_\_

- Distribution (by preparer):
- Legislative Finance
  - Legislative Sponsor
  - Requestor
  - Office of Management and Budget
  - Impacted Agency(ies)
  - Senate Secretary

- c) Each of approximately 540,000 PFD applications will need to be visually reviewed and coded as to decision on the contribution decision. Each application will be data captured with additional attention and keystrokes expended on each positive decision.
- d) Due to the complexity of balancing and certifying warrant runs with varying warrant amounts, additional temporary staff will be required to balance the weekly warrant runs from October through December of each year.

1. Positions

1 PPT Analyst/Programmer V, R21  
@ \$5,638.47/Mo including salary  
and benefits for 2 months = \$11.2

PCN 04-1125 would be funded for an additional two months, in accordance with Attachment A. Ongoing maintenance of new programs would be accomplished by existing staff.

1 PPT Document Processor I, R7  
@ \$2,117.76/Mo, including salary and  
benefits for 3 months = \$6.3

This position would assist in the manual review and coding of 540,000 applications for the new contribution decision. This position represents the equivalent of the additional time and effort.

1 PPT Data Processing Clerk I, R8,  
@ \$2,221.64/Mo, including salary and  
benefits for 2 months = \$4.4

This position would assist in the data capture of the additional contribution decisions. The position represents the equivalent value of the additional time and effort.

1 PPT Document Processor I, R7,  
@ \$2,117.76/Mo, including salary  
and benefits, for 3 months = \$6.3

This position will assist in the balancing and verification of the weekly warrant runs from October 1 through December 31 each year.

TOTAL Personal Services \$28.2

Department of Revenue  
Administrative Services Division  
Fiscal Note Analysis  
SSHB 57  
Summary of Data Processing Requirements  
2/25/87

Wang data entry processing	75.0 hours
Includes:	Data entry Batch lists Corrections Wang to IBM transfer
IBM Update jobs	30.0 hours
Includes:	Edits Batch listings Log sheets
DMS Online programs for lookup and changes	37.5 hours
Nightly Update of Changes	22.5 hours
Warrant Jobs	90.0 hours
Includes:	Printing warrants with different amounts. Include check stub messages. Modify warrant registers as needed for balancing. Create new program(s) for transferring accumulated contributions to the Alaska Children's Trust Fund, and to account for the reserve necessary due to returned and cancelled PFD warrants.
Miscellaneous	45.0 hours
Includes:	Setting up test files on IBM Systems testing Administrative functions, i.e. paper work required by Admin. DP to add files and programs to tables.
TOTAL HOURS	300.0 hours

STATE OF ALASKA 1987 LEGISLATIVE SESSION  
FISCAL NOTE

REQUEST: \_\_\_\_\_

Bill Version: CSSSHB 57(Fin)  
Publish Date: HOUSE 4/13/87

Revision Date: \_\_\_\_\_  
Title: An Act relating to the Alaska  
children's trust fund to provide etc.  
Sponsor: Goll, Brown, etc.  
Requestor: HOUSE FINANCE I

Agency Affected: Public Safety  
BRU: Council on Domestic  
Violence and Sexual Assault  
Components: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

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

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

APA

Prepared by: Al Adams Chair Phone: 465-3706  
Division: House Finance Committee Date: 4/11/87

Approved by Commissioner: \_\_\_\_\_ Date: \_\_\_\_\_  
Agency: \_\_\_\_\_

Distribution (by preparer):  
Legislative Finance  
Legislative Sponsor  
Requestor  
Office of Management and Budget  
Impacted Agency(ies)  
Senate Secretary

STATE OF ALASKA 1987 LEGISLATIVE SESSION  
FISCAL NOTE

Bill Version: CSSSHB 57(Fin)  
Publish Date: HOUSE 4/13/87

REQUEST: \_\_\_\_\_

Revision Data: \_\_\_\_\_  
Title: Alaska Children's Trust Fund

Agency Affected: Department of Revenue  
BRU: Treasury

Sponsor: Goll  
Requestor: HOUSE FINANCE

Components: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
<b>OPERATING</b>						
PERSONAL SERVICES	-	-	-	-	-	-
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	-	-	-	-	-
SUPPLIES	-	-	-	-	-	-
EQUIPMENT	-	-	-	-	-	-
LANDS & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
<b>TOTAL OPERATING</b>	-	-	-	-	-	-
<b>CAPITAL</b>	-	-	-	-	-	-
<b>REVENUE</b>	-	-	-	-	-	-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
<b>TOTAL</b>	-	-	-	-	-	-

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary)

APA

Prepared by: Al Adams Chair  
Division: House Finance Committee

Phone: 465-3706  
Date: 4/11/87

Approved by Commissioner: \_\_\_\_\_  
Agency: \_\_\_\_\_

Date: \_\_\_\_\_

Distribution (by preparer):

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

STATE OF ALASKA 1987 LEGISLATIVE SESSION  
FISCAL NOTE

Bill Version: CSSSHB 57(Fin)  
Publish Date: HOUSE 4/13/87

REQUEST

Revision Date: \_\_\_\_\_ Agency Affected: Department of Revenue  
Title: "...Ak children's trust fund to provide a continuing source of revenue for..." BRU: Revenue- Permanent Fund Dividend  
Sponsor: Gall, Brown, Ellis, Navarre, etc. Components: \_\_\_\_\_  
Requestor: HOUSE FINANCE !

EXPENDITURES/REVENUES: (Thousands of Dollars)

<u>OPERATING</u>	<u>FY 87</u>	<u>FY 88</u>	<u>FY 89</u>	<u>FY 90</u>	<u>FY 91</u>	<u>FY 92</u>
PERSONAL SERVICES	-	-	-	-	-	-
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	-	-	-	-	-
SUPPLIES	-	-	-	-	-	-
EQUIPMENT	-	-	-	-	-	-
LAND & STRUCTURES	-	-	-	-	-	-
GRANTS/CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
<u>TOTAL OPERATING</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>

<u>CAPITAL</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
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<u>REVENUE</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
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FUNDING: (Thousands of Dollars)

GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
<u>TOTAL</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary)

APA

Prepared by: Al Adams Chair Phone: 465-3706  
Division: House Finance Committee Date: 4/11/87

Approved by Commissioner: \_\_\_\_\_ Date: \_\_\_\_\_  
Agency: \_\_\_\_\_

Distribution (by preparer):

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

STATE OF ALASKA 1987 LEGISLATIVE SESSION  
FISCAL NOTE

REQUEST: \_\_\_\_\_

Bill Version: CSSSHB 57(Fin)  
Publish Date: HOUSE 4/13/87

Revision Date: \_\_\_\_\_  
Title: Alaska Children's Trust Corp.

Agency Affected: Office of the Governor  
BRU: Executive Operations

Sponsor: Goll, Brown, Ellis, Navarre, Boyer  
Requestor: Larson, Phillips, Menard

Components: Alaska Children's Trust Corp

HOUSE FINANCE

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		0	0	0	0	0

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL		0	0	0	0	0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

RBA

Prepared by: Al Adams Chair  
Division: House Finance Committee

Phone: 465-3706  
Date: 4/11/87

Approved by Commissioner: \_\_\_\_\_  
Agency: \_\_\_\_\_

Date: \_\_\_\_\_

Distribution (by preparer):  
Legislative Finance  
Legislative Sponsor  
Requestor  
Office of Management and Budget  
Impacted Agency(ies)  
Senate Secretary

5-0372P ✓

Hein  
5/14/87

Original sponsors: Goll, Brown,  
Ellis, et al.

1 IN THE HOUSE

BY THE JUDICIARY COMMITTEE

2 SENATE CS FOR CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 57 (Judiciary)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act establishing the Alaska children's trust  
7 fund to provide a continuing source of revenue for  
8 grants to community-based programs for the prevention  
9 of child abuse and neglect; and providing for an  
10 effective date."

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

12 \* Section 1. AS 37.14 is amended by adding new sections to read:

## 13 ARTICLE 4. ALASKA CHILDREN'S TRUST FUND.

14 Sec. 37.14.200. ALASKA CHILDREN'S TRUST FUND ESTABLISHED. (a)

15 The Alaska children's trust fund is established as a separate endow-  
16 ment trust fund of the state.

17 (b) The principal of the fund consists of

18 (1) permanent fund dividend contributions made under  
19 AS 37.14.210;

20 (2) legislative appropriations to the fund; and

21 (3) gifts, bequests, and contributions of cash or other  
22 assets from a person.23 (c) The net income of the fund shall be determined by the com-  
24 missioner of revenue in accordance with investment accounting princi-  
25 ples and in a manner that preserves the distinction between principal  
26 and income.27 Sec. 37.14.205. POWERS AND DUTIES OF THE COMMISSIONER OF REVE-  
28 NUE. The commissioner of revenue is the treasurer of the fund and has  
29 the following powers and duties under this section:

1 (1) to act as official custodian of the cash and invest-  
2 ments belonging to the fund by securing adequate and safe custodial  
3 facilities;

4 (2) to receive all items of cash and investments belonging  
5 to the fund;

6 (3) to collect the principal and income from investments  
7 owned or acquired by the fund and deposit the amounts in separate  
8 principal and income accounts for the fund;

9 (4) to invest and reinvest the assets of the fund as pro-  
10 vided in this section and as provided for the investment of surplus  
11 pension funds under AS 39.35.110(a), (c), (e), (f), (h) and (i);

12 (5) to exercise the powers of an owner with respect to the  
13 assets of the fund;

14 (6) to do all acts, whether or not expressly authorized,  
15 that the commissioner of revenue considers necessary or proper in  
16 administering the assets of the fund;

17 (7) to maintain accounting records of the fund in accor-  
18 dance with investment accounting principles and with distinction  
19 between the principal and income accounts of the fund;

20 (8) to engage an independent firm of certified public  
21 accountants to annually audit the financial condition of the fund's  
22 investments and investment transactions;

23 (9) to enter into and enforce contracts or agreements  
24 considered necessary for the investment purposes of the fund;

25 (10) to report to the board the condition and investment  
26 performance of the fund.

27 Sec. 37.14.210. CONTRIBUTION TO THE ALASKA CHILDREN'S TRUST  
28 FUND. (a) The Department of Revenue shall prepare the permanent fund  
29 dividend application to allow an applicant to contribute all or part

1 of a dividend to the Alaska children's trust fund as follows:

2 (1) \$25;

3 (2) \$50;

4 (3) \$100;

5 (4) \$250; or

6 (5) the entire amount of the dividend.

7 (b) The department shall pay contributions directly to the fund.

8 Sec. 37.14.220. ALASKA CHILDREN'S TRUST FUND BOARD ESTABLISHED.

9 (a) The Alaska Children's Trust Fund Board is established in the  
10 Office of the Governor. The board is composed of

11 (1) the governor or a designee of the governor;

12 (2) the commissioner of health and social services or the  
13 commissioner's designee;

14 (3) a member of the Council on Domestic Violence and Sexual  
15 Assault elected by the council;

16 (4) the director of the office of public advocacy or the  
17 director's designee;

18 (5) the commissioner of education or the commissioner's  
19 designee;

20 (6) a member of the senate elected by the members of the  
21 senate;

22 (7) a member of the house of representatives elected by the  
23 members of the house of representatives; and

24 (8) three members appointed by the governor as follows:

25 (A) a licensed physician with a specialty in pediat-  
26 rics who has practiced medicine in the state for at least five  
27 years and who is an expert in the subject of child abuse and  
28 neglect; and

29 (B) two public members, one of whom is a recognized

1 expert in the subject of child abuse and neglect.

2 (b) The board shall elect a member to chair the board.

3 (c) The staff of the office of child advocacy serves as the  
4 staff of the board.

5 Sec. 37.14.230. POWERS AND DUTIES OF BOARD. The board shall

6 (1) hold regular meetings and special meetings it considers  
7 necessary; the board may hold meetings by teleconference;

8 (2) award grants from the net income of the fund to com-  
9 munity-based programs and projects that the board finds will aid in  
10 the prevention of child abuse and neglect;

11 (3) monitor approved programs and projects for compliance  
12 with AS 37.14.200 - 37.14.270;

13 (4) before providing assistance to a program or project,  
14 approve written findings on the program or project that include a  
15 consideration of the means of measuring the effectiveness of the  
16 program or project;

17 (5) apply for, and use net income from the fund to obtain,  
18 private and federal grants for the prevention of child abuse and  
19 neglect;

20 (6) solicit permanent fund dividend contributions and other  
21 contributions, gifts, and bequests to the fund;

22 (7) keep audio tape recordings of each meeting of the board  
23 to be made available on request; and

24 (8) submit to the governor and the legislature by Janu-  
25 ary 10 each year a report describing

26 (A) the child abuse and neglect prevention services  
27 that were provided by the programs and projects to which the  
28 board awarded grants; and

29 (B) the annual level of contributions, income, and

1 expenses of the fund.

2 Sec. 37.14.240. FUND UTILIZATION. (a) The principal of the  
3 fund and any capital gains or losses realized on the principal shall  
4 be retained perpetually in the fund for investment as specified in  
5 AS 37.14.205, and may not be used for the awarding of grants.

6 (b) The net income of the fund may be appropriated only for the  
7 following purposes:

8 (1) the awarding of grants;  
9 (2) obtaining private and federal grants for the fund;  
10 (3) soliciting permanent fund dividend contributions and  
11 other contributions, gifts, and bequests for the fund; and

12 (4) reimbursement to the Department of Revenue for the  
13 costs

14 (A) of managing the fund;

15 (B) of making changes to the permanent fund dividend  
16 application under AS 37.14.210; and

17 (C) directly attributable to calculating and deposit-  
18 ing permanent fund dividend contributions to the fund.

19 (c) Realized net income that has not been appropriated, or that  
20 has been appropriated but not expended, shall be invested until appro-  
21 priated and expended.

22 Sec. 37.14.250. GRANTS. (a) In awarding grants from the net  
23 income of the fund, the board shall consider the proposals of a qual-  
24 ified applicant only after the applicant has submitted a detailed  
25 proposal in the form prescribed by the board. The board may not award  
26 a grant unless the board makes written findings that

27 (1) the proposed project, if successful, will help prevent  
28 child abuse or neglect;

29 (2) the application for financial assistance contains an

1 adequate plan for project implementation, including both financial  
2 feasibility and project effectiveness;

3 (3) the applicant demonstrates that sufficient technical  
4 expertise is available to accomplish the objectives of the proposed  
5 program or project; and

6 (4) the applicant has identified costs associated with and  
7 ancillary to the project, additional governmental costs, future obli-  
8 gations generated by the program or project, and necessary operating,  
9 maintenance, or other support costs for the life of the program or  
10 project.

11 (b) The board may establish other requirements for the award of  
12 grants under this section if necessary to carry out the purpose of the  
13 fund.

14 (c) The board shall award grants in amounts that

15 (1) are appropriate to the conditions of the applicant and  
16 the proposed program or project; and

17 (2) will make the most effective use of the money avail-  
18 able.

19 (d) The amount of all grants awarded by the board during a  
20 12-month period to a single project or program may not exceed \$50,000.  
21 The board may not finance more than 75 percent of the cost of a pro-  
22 gram or project during each of the first two years for which the  
23 program or project receives a grant, 50 percent during each of the  
24 third and fourth years, and 25 percent during each year thereafter.

(e) A recipient of a grant may not use more than 10 percent of  
the grant for administration of the program or project.

(f) To the extent consistent with the terms or conditions of the  
grant, a private or federal grant awarded to the board shall be dis-  
tributed in the same manner as provided for grants under this section

1 and AS 37.14.260.

2 Sec. 37.14.260. ELIGIBILITY FOR GRANTS. The board may award a  
3 grant to an applicant if

4 (1) the applicant has submitted a proposal that is accept-  
5 able to the board; and

6 (2) programs and projects ,if any, of the applicant that  
7 have previously received a grant from the board have complied with all  
8 requirements of that assistance and have performed with sufficient  
9 success or promise to warrant further financial assistance.

10 Sec. 37.14.270. DEFINITIONS. In AS 37.14.200 - 37.14.270

11 (1) "board" means the Alaska Children's Trust Fund Board;

12 (2) "child abuse and neglect" has the meaning given in  
13 AS 47.17.070;

14 (3) "fund" means the Alaska children's trust fund estab-  
15 lished under AS 37.14.200;

16 (4) "prevention of child abuse and neglect" includes pri-  
17 mary and secondary prevention programs;

18 (5) "primary prevention program" means an educational or  
19 training program intended to raise the awareness of and change atti-  
20 tudes concerning child abuse and neglect and its prevention;

21 (6) "secondary prevention program" means a service intended  
22 to reach high-risk groups and to prevent the occurrence or recurrence  
23 of child abuse and neglect.

24 \* Sec. 2. Notwithstanding the provisions of AS 37.14.230 and 37.14.240  
as enacted by sec. 1 of this Act,

(1) until July 1, 1988, the Alaska Children's Trust Fund Board  
may use not more than \$50,000 from the principal of the Alaska children's  
trust fund for the purposes specified in AS 37.14.240(b)(2) and (3) as  
enacted by sec. 1 of this Act;

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(2) the Alaska Children's Trust Fund Board may not use the net income of the Alaska children's trust fund until one year after the commissioner of revenue begins depositing into the fund permanent fund dividend contributions made under AS 37.14.210 as enacted by sec. 1 of this Act.

\* Sec. 3. This Act takes effect July 1, 1987.

HB

59

Original sponsors: Davis, Koponen  
and Pourchot

1 IN THE HOUSE

BY THE JUDICIARY COMMITTEE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 59 (Judiciary)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the recycling and reduction of  
7 litter; and providing for an effective date."

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

9 \* Section 1. AS 12.25.190(c) is amended to read:

10 (c) The person cited for the crime shall give a written promise  
11 to appear in court by signing at least one copy of the written cita-  
12 tion prepared by the peace officer and the officer shall deliver a  
13 copy of the citation to the person. The written promise requirement  
14 of this subsection does not apply to motor vehicle and traffic cita-  
15 tions under AS 28.05.151, fish and game citations for which a bail  
16 schedule has been established under AS 16.05.165, citations issued  
17 under AS 18.35.341, [AND] citations issued in state park and recre-  
18 ational facilities under AS 41.21.960, and littering citations issued  
19 under AS 46.06.080.

20 \* Sec. 2. AS 46.06.010 is repealed and reenacted to read:

21 Sec. 46.06.010. POWERS OF THE DEPARTMENT. The department shall

22 (1) serve as the coordinating agency among public and  
23 private organizations in the state that are involved in the control,  
24 reduction, and recycling of litter;

25 (2) assist local governments in the adoption and amendment  
26 of ordinances relating to the control, reduction, and recycling of  
27 litter;

28 (3) promote voluntary local programs and information cam-  
29 paigns that encourage the public to refrain from littering and to

1 participate in efforts to clean up and recycle litter;

2 (4) inform the public of, and encourage the public to  
3 comply with, the provisions of this chapter and regulations adopted  
4 under this chapter;

5 (5) encourage federal, state, and local agencies to assist  
6 programs for the recycling of litter by allowing the use of publicly  
7 owned land, buildings, or equipment for those programs whenever possi-  
8 ble;

9 (6) apply for, receive, and expend grants, loans, and other  
10 monetary and nonmonetary assistance for use in programs established  
11 under this chapter;

12 (7) determine the types of materials or energy that may be  
13 profitably recovered from litter, and adopt regulations under the  
14 Administrative Procedure Act (AS 44.62) that require the recovery of  
15 the materials or energy;

16 (8) adopt other regulations under the Administrative Proce-  
17 dure Act (AS 44.62) necessary to implement this chapter.

18 \* Sec. 3. AS 46.06.060 is amended to read:

19 Sec. 46.06.060. LITTER BAGS. The department may [SHALL] design  
20 and have produced a litter bag bearing the state anti-litter symbol  
21 and a statement of the penalties for littering in the state. The  
22 department may [SHALL] make litter bags available to the division of  
23 motor vehicles in the Department of Public Safety for this purpose.  
24 The [TO THE GREATEST EXTENT PRACTICABLE, THE] division of motor  
25 vehicles may [SHALL] distribute one litter bag to each person who  
26 applies for registration or reregistration of a motor vehicle and  
27 shall notify the person of the person's responsibilities under the  
28 law. The department may [SHALL] make litter bags available to all  
29 vehicle and vessel operators entering the state. The commissioner

1 shall designate distribution points for the broadest possible dis-  
2 tribution of litter bags to persons entering the state by vehicle or  
3 vessel.

4 \* Sec. 4. AS 46.06.080(c) is amended to read:

5 (c) A person who violates this section is guilty of a violation  
6 [CLASS B MISDEMEANOR], and may be sentenced to pay a fine of not more  
7 than \$1,000. In [IN] addition [TO THE PUNISHMENT IMPOSED BY AS 12.-  
8 55.035(b)(4) AND 12.55.135(b)], the court may order the person to  
9 gather and dispose of litter in an area and for a length of time  
10 determined by the court.

11 \* Sec. 5. AS 46.06.080 is amended by adding new subsections to read:

12 (d) A peace officer shall issue a citation as provided in  
13 AS 12.25.180 to a person who violates this section. If a citation is  
14 for a minor littering violation, then the person to whom the citation  
15 is issued may, within 15 days, mail or personally deliver to the clerk  
16 of the court in which the citation is filed

17 (1) a fine of \$25; and

18 (2) a copy of the citation indicating that the right to an  
19 appearance is waived and a plea of no contest is entered.

20 (e) If a \$25 fine has been paid under (d) of this section, then  
21 the court shall enter a judgment of conviction. Payment of the fine  
22 is a complete satisfaction for the violation.

23 (f) If a person cited under this section fails to pay the fine  
24 or to appear in court as required, the citation is considered a sum-  
25 mons for a failure to obey a citation under AS 12.25.230, and the  
26 court may issue a bench warrant.

27 (g) Notwithstanding other provisions of law, if a person cited  
28 for a minor littering violation under this section appears in court  
29 and is found guilty, the penalty that is imposed for the violation may

1 not exceed \$25.

2 (h) In this section "a minor littering violation" means a viola-  
3 tion of (a) or (b) of this section involving litter having an aggre-  
4 gate weight of five pounds or less.

5 \* Sec. 6. AS 46.06.020, 46.06.030, 46.06.040, and 46.06.070(b) are  
6 repealed.

7 \* Sec. 7. Section 5, ch. 149, SLA 1980, as amended by sec. 9, ch. 164,  
8 SLA 1984, is repealed.

9 \* Sec. 8. This Act takes effect immediately under AS 01.10.070(c).  
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Amendments to CSHB 59 (Jud)

An Act relating to the  
recycling and reduction of litter

The figure of "\$50" is replaced with "\$25" on page 3, line 17;  
page 3, line 20; and page 4, line 1.

The above amendments are supported by ALPAR (Alaskans for Litter Prevention and Recycling), the Department of Environmental Conservation, and the prime sponsor of the legislation. The amendments are made in the belief that the lower fine will result in greater enforcement of the state's litter laws, while also minimizing court costs by reducing the number of legal challenges to the fine.



# Alaska State Legislature

Representative Mike Davis

P.O. Box V  
Juneau, Alaska 99811  
(907) 465-4930/4941

Interim Office:  
P.O. Box 81435  
Fairbanks, Alaska 99708

## MEMORANDUM

To: Senate Judiciary Committee

From: Rep. Mike Davis

Date: May 11, 1987

Re: CSHB 59 (Jud); An Act Relating to the Recycling and Reduction of Litter.

---

The 1986 legislature failed to fund the state's litter reduction and recycling program for FY 87, and the program is due to sunset on June 30, 1987. However, this is an important program that coordinates community efforts to clean up litter throughout the state. Litter along the state's highways has a negative impact upon visitors to Alaska as well as upon the state's residents, and maintaining a litter program should continue to make the state a destination point for tourists.

The provisions of HB 59 would reduce the costs of operating an effective litter program by repealing requirements for an advisory council and the publication of an annual report. The legislation also reduces costs by allowing, rather than requiring, DEC to provide litter bags. These changes have allowed HB 59 to receive a zero fiscal note. The bill also would repeal the sunset provision of the program.

HB 59 would reduce the penalty for littering from a misdemeanor to a violation in order to eliminate court costs, and a prison term would be eliminated as a penalty for littering. The bill would also establish a \$50 fine for minor offenders that may be paid by mail, while retaining a maximum fine of \$1,000 for major offenders. A minor offense is one in which the amount of litter has an aggregate weight of five pounds or less. Community service provisions, in which a litterer may be required to pick up litter in a designated area for a designated length of time, are also retained.

Discussions with ALPAR (Alaskans for Litter Prevention and Recycling), the Fairbanks Litter and Beautification Committee, the Department of Environmental Conservation, the Department of Public Safety, and several municipalities have been very positive toward this legislation. The remarks of a few municipal leaders are presented below:

City and Borough of Juneau, Mayor Ernest Polley: "The City and Borough certainly supports litter reduction and recycling programs. The City and Borough of Juneau has a considerable litter problem as well as disposal problems concerning metals, household garbage, and hazardous liquids. I feel that this is a statewide problem and should be addressed on a statewide basis. We would be happy to work with your office to review any proposed legislation in this area."

Municipality of Anchorage, Mayor Tony Knowles: "As a strong supporter of a healthy, clean environment, I share your wish to avoid sunseting the litter reduction and recycling program within DEC. Although unfunded at this point, I believe a mechanism should exist for revitalizing this program should revenue levels again allow for funding of the program."

Matanuska-Susitna Borough, Mayor Dorothy Jones: "As for the litter reduction and recycling program, we find it a boon to the Matanuska-Susitna area and would most assuredly like to see funding restored and the program remain."

Fairbanks North Star Borough, Mayor Juanita Helms: "As Mayor of the Fairbanks North Star Borough, I support passage of HB 59, An Act Relating to the Recycling and Reduction of Litter. Providing proper solid waste disposal and dealing with the accumulation of litter on our roadways are two problems which confront our community. The State's efforts in recycling and litter reduction help us to effectively resolve these problems. For this reason, I would urge the Alaska State Legislature to pass HB 59."

STATE OF ALASKA 1987 LEGISLATIVE SESSION  
FISCAL NOTE

*Smith*

REQUEST \_\_\_\_\_  
Revision Date: \_\_\_\_\_  
Title: "An Act relating to the re-  
cycling of litter..."  
Sponsor: Rep. Davis  
Requestor: House Finance

Bill Version: CSHB 59 (JUD)  
Publish Date: 3-26-87  
Agency Affected: Public Safety  
BRU: Alaska State Troopers  
Components: Detachments & CIB

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
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						

FUNDING: (Thousands of Dollars)

GENERAL FUNDS	0	0	0	0	0	0
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

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

ANALYSIS:

No fiscal impact is anticipated.

*JNR*  
*2/24/87*

Prepared by: Francis C. Allan  
Division: Alaska State Troopers  
Approved by Commissioner: William R. Nix *W. Nix*  
Agency: Public Safety

Phone: 269-5691  
Date: 2/23/87  
Date: 2/24/87

Distribution (by preparer):  
Legislative Finance  
Legislative Sponsor  
Requestor  
Office of Management and Budget  
Impacted Agency(ies)  
Senate Secretary

STATE OF ALASKA 1987 LEGISLATIVE SESSION #1  
FISCAL NOTE

REQUEST: \_\_\_\_\_

Bill Version: HB 50  
Publish Date: HOUSE 2/2/87

Revision Date: \_\_\_\_\_  
Title: An Act relating to the recycling and reduction of litter  
Sponsor: Representative Mike Davis  
Requestor: House Resources

Agency Affected: DEC  
BRU: Environmental Quality  
Components: Regional Offices

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL						
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REVENUE	0	0	0	0	0	0
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FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Randy Bayliss Phone: 465-2600  
Division: Office of the Commissioner Date: January 30, 1987

Approved by Commissioner: Dennis D. Kelson Date: January 30, 1987  
Agency: Environmental Conservation

- Distribution (by preparer):
- Legislative Finance
  - Legislative Sponsor
  - Requestor
  - Office of Management and Budget
  - Impacted Agency(ies)
  - Senate Secretary

**Fifth Annual Report**

**May 1985**

**ALASKA  
LITTER REDUCTION  
AND  
RESOURCE RECOVERY  
PROGRAM**

**BILL SHEFFIELD**

**Governor**

**State of Alaska**

**BILL ROSS**

**Commissioner**

**Department of Environmental Conservation**

**Pouch O, Juneau, Alaska 99811**



*Bach 1985*

## INTRODUCTION

Early in fiscal year 1984 the Division of Legislative Audit completed its review and evaluation of the first four years of the Department of Environmental Conservation's (DEC) Litter Reduction and Resource Recovery Program. Its performance report concluded that the popular and successful program, and its authorizing legislation, should be continued. On June 8, 1984, the Litter Reduction and Resource Recovery Act was reauthorized until July 1, 1987.

Since the inception of the Litter Reduction and Resource Recovery Program in 1980, DEC has actively pursued projects to reduce litter and encourage recycling and large-scale resource recovery in Alaska. According to the 1983 Alaska litter survey, much has been achieved in the first years of the program. Some of the highlights are:

- 36% decrease in fresh litter generation
- 35% decrease in litter accumulation
- 63.3% decrease of hazardous items in litter
- 20% increase in car litter bag use
- 40% decrease in aluminum can litter
- 36.6% decrease in litter at sites where receptacles have been added

Large-scale resource recovery significantly decreases certain kinds of litter, and saves resources and energy. The program provides support and assistance to resource recovery endeavors throughout Alaska. With the establishment of a pulp (shredder) mill in Anchorage (to be in operation in late 1985), an estimated 20,000 tons a year of ferrous metals will be recovered and possibly sold to a Pacific Rim country. This tonnage will represent a substantial increase over past years. At present, about 7% of over 50,000 tons of paper shipped to Alaska per year is recovered for reuse. Due to recent reduction of rates by freight carriers, the potential for recovery of waste paper is increasing. As demand for both energy and resources rises and supplies decline, such recovery becomes even more important.

This report documents DEC's accomplishments in litter reduction, litter prevention, resource recovery, and increasing public support of the program during FY 1984. In 1984, the program changed its reporting period to coincide with the State's fiscal year. Some of the figures in the report may overlap with figures in the 1983 annual report, which was based on a calendar year.

## LITTER REDUCTION

Results from the 1983 Alaska litter survey performed by the Institute for Applied Research indicate that during the first three years of the litter and recycling program's existence, there has been a 36% reduction in the rate that fresh litter is generated (Syrek, 1983). Similar decreases were measured in the rate at which long term accumulations of litter build up. These results show a 35% decline when corrected for traffic and weather conditions.

What are the causes of these significant decreases in litter? Alaskans are becoming more involved in both picking up litter already on the ground (litter reduction) and eliminating acts of littering (litter prevention).

In an executive proclamation, Governor Sheffield declared May 1984 as Litter Prevention and Cleanup Month. Letters seeking similar local declarations were sent to mayors. DEC staff sent mailouts to city and village councils, schools, community leaders, and local media asking for their involvement in cleanup efforts.

The results of these activities were once again gratifying. Again in 1984, Alaska saw an increase in the number of community cleanups statewide. A current list of communities with cleanups appears in Appendix A. Table I shows 1984 cleanup results.

Table I  
1984 Spring Cleanups

	Southeastern Region	Southcentral Region	Northern Region	TOTAL
Communities with cleanups	18	126	61	205
Participants	3,124	31,223	18,505	52,852
Bags Collected	6,729	105,590	55,700	168,019
Truckloads	379	12,401	not available	12,753
Junk Autos Removed	63	2,198	366	2,621

### Youth Litter Patrols

As part of statewide litter reduction efforts in 1984, summer youth litter patrols were funded for a second year by Alaskans for Litter Prevention and Recycling (ALPAR, a private organization of business and industry) and a cash grant of \$120,000 from the State. Approximately 284 young people on the patrols picked up litter in 26 communities, with more than double the participation of the first year of the program. Table II shows a comparison between 1983 and 1984.

Table II

#### Youth Litter Patrols

	<u>1983</u>	<u>1984</u>
Number of Participants	120	284
Number of Communities	11	26
Number of Patrols	27	71
Bags Collected	6,500	Data not available
Total Cost	\$82,000	\$171,348

Fairbanks, a star in the youth litter program, had an impressive 20 patrols in 1984, up from 4 patrols in 1983. The patrols worked for 13 weeks cleaning up 400 miles of roadways and over 3,300 bags of litter. This program created 21 full-time seasonal jobs for youths 14-17 years old in the Fairbanks area. The "bottom line" summary of the 1984 Greater Fairbanks litter patrol effort was 8.3 bags of litter abated per mile of roadway cleaned up, at a cost of \$13.90 per bag.

Anchorage doubled its youth litter patrols from 10 in 1983 to 20 in 1984. Communities with two patrols each in 1984 were Homer, Juneau, Kenai, Ketchikan, Nenana, Palmer, and Valdez. The following communities had one youth litter patrol each: Bethel, Deering, Delta Junction, Dillingham, Ekwok, Kodiak, Koliganek, Saxman, Skagway, Soldotna, Togiak, Wasilla, and Wrangell.

Alternative Sentencing and Pretrial Diversion Programs

The Department of Law Pretrial Diversion Program made an outstanding contribution to litter reduction in 1984. The results of the efforts of this program were well up over 1983 (See Table III).

Table III

The Department of Law Pretrial Diversion Program

	<u>1983</u>	<u>1984</u>
Number of participants	50	220
Number of hours	1,600	2,800
Number of communities	1 - Juneau	4 - Fairbanks, Juneau*, Kenai and Sitka

\* 40 assigned to ALPAR patrols for 700 hours  
100 assigned to DOT/PF on weekends for 800 hours

In FY 1984, the Municipality of Anchorage's Community Work Services Program assigned 400 sentenced misdemeanants to 8,000 hours of litter pickup. These misdemeanants were referred by the Court to this program, and picked up a total of 250,000 pounds of litter. The program not only reduced litter in Anchorage, but seemed to have a positive impact on the recidivism of the offenders, most of whom had been convicted of DWI. Other offenses included shoplifting, reckless driving, and littering. Virtually all the participants commented they would never litter again, after seeing firsthand what a problem litter is.

Working closely with the District Court, the Fairbanks North Star Borough's Environmental Services Division supervised the community service work required of litter offenders and those who had committed other minor offenses. The 53 individuals assigned to this program performed 1,001 hours of work, for an average of 18.9 hours per person. Juveniles performed 465 hours of work; adults, 536 hours. Thirty-three persons were assigned to community work service who did not perform the work, totalling 1344 hours of work assigned which was not performed.

### Volunteer Efforts

DEC spring cleanups mobilize the people in a community and often lead to voluntary efforts to keep their communities clean year round. One spinoff of the DEC spring cleanup in 1984 was the voluntary placement of litter receptacles and antilitter signs in more than a dozen communities. Port Heiden went a step further, installing a large community dumpster and instituting a weekly pickup. In some areas, which did not have formal youth litter patrols, local people started voluntary cleanups. In Takotna such activity led to the demolition of three houses and the graveling over of the resulting vacant lot.

Many communities went beyond picking up litter and beautified areas which had previously been eyesores. They developed gardens and parks, planted trees, and placed flower boxes. In these communities volunteers did the work of creating and maintaining the beautified areas. Juneau and Fairbanks established committees, which included DEC litter program staff, to plan, carry out, and reward beautification activities. In Juneau the Beautification Subcommittee of the Mayor's Hospitality Committee honored individuals, businesses, and government agencies for their significant efforts to beautify Juneau. The Fairbanks Chamber of Commerce Beautification Committee beautified formerly littered areas in response to a perceived need in the community to enhance civic pride and foster ongoing antilittering behavior.

## LITTER PREVENTION

Reduction of litter on the ground is necessary and desirable, but prevention of acts of littering is the key to long-term litter reduction in Alaska.

Litter is the result of personal habits and decisions. In order to affect the litter rate in Alaska, individual attitudes towards litter must be changed, and efforts made to influence personal decisions about the act of littering.

### Secured Truckloads

The 1981 litter survey showed that deliberate littering comes from pedestrians aged 6 to 25 and occupants of motor vehicles aged 10 to 45. Most accidental littering is from unsecured truckloads and trash escaping from truck beds.

Since 1981 there has been a shift in the composition of litter. Deliberately littered convenience product packaging litter has decreased from 56% of all fresh litter items in 1981 to 49% in 1983. At the same time, the percentage of accidentally littered items from trash can spills, unsecured loads and uncovered truck beds has increased from 38% to 45%.

These figures indicate public attitudes towards deliberate littering is improving; fewer people are unconsciously tossing wrappers on the ground. The figures show, however, that more work needs to be done to motivate truck owners to cover their loads.

In 1984 the Municipality of Anchorage passed an ordinance requiring that trucks bringing loads to the municipal landfill be covered or pay an "uncovered load" fee of \$10.00 for small trucks and \$10.00 a ton plus a \$30.00 fee for large trucks. By July 1984, 98.8% of the trucks coming to the landfill were covered.

DEC will encourage other municipalities to follow the lead of this highly successful program and conduct their own covered load campaigns in FY 85.

### Community Outreach

Using information provided by litter surveys, DEC gears educational efforts to those groups primarily responsible for litter in Alaska. Attitudes and decisions are substantially shaped by both the mass media and personal contact.

1984 DEC media efforts included press releases, production and distribution of public service announcements, and arrangement of media coverage of local cleanup and recycling efforts. Litter caused by travelers was addressed by a full page ad in the 1984 Milepost. A full page "ad" on uncovered loads was published in the April 1984 edition of the State of Alaska's Driver's Manual.

Public information and public education services are an important means of encouraging litter reduction and resource recovery activities throughout Alaska. Table IV shows public awareness services provided by litter program staff in FY 1984.

Table IV

Community Outreach Services

School Presentations	12
Community Presentations	44
Hotline Calls	1591
Newspaper Interviews	161
TV Interviews	18
Radio Interviews	3
Other	12

Commodities Distributed

Another way DEC encourages communities and citizens to become involved in litter control is by distributing free commodities. These range from car litter bags to cleanup incentives for children, including patches and "sort-n-save" magnets. Table V shows the items distributed during FY 1984.

Table V

Commodities Distributed

DEC car litter bags	27,550
SOHIO car litter bags	90,800
Cleanup bags	166,100
Milepost posters	123
Fish & Game posters	30
Pins	12,995
Patches	8,981
Receptacle decals	6,668
"Aluminum only" decals	928
Miscellaneous brochures	4,002

At the beginning of the 1984 tourist season, DEC sent 2,000 DOT/PF car litter bags to U.S. border stations at ALCAN/TOK and Skagway.

### Education

Since young people comprise a large number of those groups identified as deliberate litterers, DEC has attempted to reach them through an elementary school curriculum.

The Legislature appropriated \$150,000 for litter reduction programs in schools. With the approval of the Litter Reduction and Resource Recovery Advisory Council, DEC contracted with the Department of Education to produce a series of three 15-minute lessons on videotape for the Learn/Alaska instructional television network. The series will be designed for grades 4-6 and aired on Learn/Alaska. Printed teacher's guides will be developed and used in conjunction with the video program.

The educational objectives of this series of video lessons are to increase the students' knowledge of their environment, affect their attitude toward conservation of natural resources, and encourage their personal commitment to antilitter, antiwaste behavior. By airing this program on the Learn/Alaska network, we expect to reach the largest possible target audience in the most effective way. The video series is expected to be aired on the Learn/Alaska network beginning in the fall semester 1985.

### Litter Receptacles

An important means of preventing litter is to make receptacles available in high use areas. Litter receptacle regulations became effective in October, 1983. Those regulations require receptacles marked with the State's anti-litter logo to be installed, routinely serviced and maintained at commercial, recreation and civic areas. The 1983 litter survey showed a significant increase in receptacles at 10 commercial sampling sites (Syrek, 1983). Table VI shows the additions by site.



# Alaska State Legislature

Representative Mike Davis

P.O. Box V  
Juneau, Alaska 99811  
(907) 465-4930/4941

Interim Office:  
P.O. Box 81435  
Fairbanks, Alaska 99708

## MEMORANDUM

To: Senator Jack Coghill, Chairman  
Senate Resources Committee

From: Representative Mike *Davis*

Date: March 30, 1987

Re: CSHB 59 (Jud); An Act Relating to the Recycling and  
Reduction of Litter.

---

I am writing to request a hearing for CSHB 59 in the Senate Resources Committee. I have provided your staff with backup material that provides statements of explanation and support for the bill, which would both revise and extend Alaska's litter reduction program. CSHB 59 has also been crafted in a manner that allows the bill to have a zero fiscal note.

CSHB 59 has the support of businesses, municipalities, chambers of commerce, Alaskans for Litter Prevention and Recycling (ALPAR), and the state administration. Passage of the legislation would allow Alaska to continue to enforce litter laws and to coordinate cleanup activities. Failure to pass the legislation would result in the termination of the program, which has a sunset date of June 30, 1987.

Please call me if you or your staff have any questions regarding the bill.



# Alaska State Legislature

---

Representative Mike Davis

P.O. Box V  
Juneau, Alaska 99811  
(907) 465-4930/4941

Interim Office:  
P.O. Box 81435  
Fairbanks, Alaska 99708

## MEMORANDUM

To: House Finance Committee

From: Rep. Mike Davis

Date: February 24, 1987

Re: CSHB 59 (Jud); An Act Relating to the Recycling and Reduction of Litter.

---

The 1986 legislature failed to fund the state's litter reduction and recycling program for FY 87, and the program is due to sunset on June 30, 1987. However, this is an important program that coordinates community efforts to clean up litter throughout the state. Litter along the state's highways has a negative impact upon visitors to Alaska as well as upon the state's residents, and maintaining a litter program should continue to make the state a destination point for tourists.

The provisions of HB 59 would reduce the costs of operating an effective litter program by repealing requirements for an advisory council and the publication of an annual report. The legislation also reduces costs by allowing, rather than requiring, DEC to provide litter bags. These changes have allowed HB 59 to receive a zero fiscal note. The bill also would repeal the sunset provision of the program.

HB 59 would reduce the penalty for littering from a misdemeanor to a violation in order to eliminate court costs, and a prison term would be eliminated as a penalty for littering. The bill would also establish a \$50 fine for minor offenders that may be paid by mail, while retaining a maximum fine of \$1,000 for major offenders. A minor offense is one in which the amount of litter has an aggregate weight of five pounds or less. Community service provisions, in which a litterer may be required to pick up litter in a designated area for a designated length of time, are also retained.

Discussions with ALPAR (Alaskans for Litter Prevention and Recycling), the Fairbanks Litter and Beautification Committee, the Department of Environmental Conservation, and several municipalities have been very positive toward this legislation. The remarks of a few municipal leaders are presented below:

City and Borough of Juneau, Mayor Ernest Polley: "The City and Borough certainly supports litter reduction and recycling programs. The City and Borough of Juneau has a considerable litter problem as well as disposal problems concerning metals, household garbage, and hazardous liquids. I feel that this is a statewide problem and should be addressed on a statewide basis. We would be happy to work with your office to review any proposed legislation in this area."

Municipality of Anchorage, Mayor Tony Knowles: "As a strong supporter of a healthy, clean environment, I share your wish to avoid sunseting the litter reduction and recycling program within DEC. Although unfunded at this point, I believe a mechanism should exist for revitalizing this program should revenue levels again allow for funding of the program."

Matanuska-Susitna Borough, Mayor Dorothy Jones: "As for the litter reduction and recycling program, we find it a boon to the Matanuska-Susitna area and would most assuredly like to see funding restored and the program remain."

Rep. Mike Davis  
February 24, 1987

Sectional Analysis of CSHB 59 (Jud)  
An Act Relating to the Recycling and Reduction of Litter

Sec. 1. Technical amendment to the Judicial Code to accomodate the establishment of littering citations.

Sec. 2. AS 46.06.010 is rewritten to eliminate redundant language, and to incorporate the provisions of AS 46.06.040.

Sec. 3. AS 46.06.060 is amended to provide that the Department of Environmental Conservation and the Department of Public Safety may, rather than must, provide litter bags to the public.

Sec. 4. The penalty for littering is reduced from a Class B misdemeanor to a violation, and prison terms for littering are eliminated. The maximum \$1,000 fine currently in statute is retained.

Sec. 5. A peace officer may issue a citation providing for a \$50 fine to a person guilty of a minor littering violation. A minor littering violation is one in which the aggregate weight of the litter is five pounds or less. The fine may be paid either in person or through the mail.

Sec. 6. The following sections are repealed:

AS 46.06.020, which requires an annual report.

AS 46.06.030, which establishes an advisory council.

AS 46.06.040, which establishes public awareness programs. Provisions of this section have been incorporated into AS 46.06.010.

AS 46.06.070(b), which establishes litter patrol regulations. These regulations are authorized under AS 46.06.010(8).

Sec. 7. All sunset provisions in AS 46.06 are repealed.

Sec. 8. Immediate effective date.



# ALASKANS FOR LITTER PREVENTION and RECYCLING

Keeping Alaska Beautiful

March 16, 1987

Senator Mitch Abood  
Chairman, State Affairs Committee  
Box V  
Juneau, AK 99811

Re: HB 59  
Litter Reduction

Dear Senator Abood:

We urge you to pass HB 59 as soon as possible with the \$25 fine for littering amendment.

This bill more realistically gives all Alaskans the motivation to keep Alaska beautiful.

Sincerely,

Jack Braddock, President  
Alaskans for Litter Prevention & Recycling

JB/a

cc: Rep. Mike Davis

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Carol Gallant

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# ★ Fairbanks North Star Borough

809 Pioneer Road

P.O. Box 1267

Fairbanks, Alaska 99707

907 452-4761

January 30, 1987

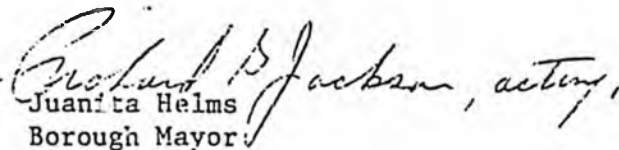
Representative Mike Davis  
Pouch V  
Juneau, Alaska 99811

Mail Stop 3100

Dear Representative Davis:

As Mayor of the Fairbanks North Star Borough, I support passage of HB 59, An Act Relating to the Recycling and Reduction of Litter. Providing proper solid waste disposal and dealing with the accumulation of litter on our roadways are two problems which confront our community. The State's efforts in recycling and litter reduction help us to effectively resolve these problems. For this reason, I would urge the Alaska State Legislature to pass HB 59.

Sincerely,

  
Juani ta Helms  
Borough Mayor

JH/HTS/mnb

# BEAUTIFICATION AND LITTER CONTROL COMMITTEE

Greater Fairbanks Chamber of Commerce

First National Center  
100 Cushman Street

(907) 453-1103

P.O. Box 74446  
Fairbanks, Alaska 99707

January 29, 1987

Representative Mike Davis  
Pouch V  
Juneau, AK 99811

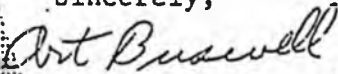
Mail Stop 3100

Dear Rep. Davis:

The Beautification and Litter Control Committee of the Greater Fairbanks Chamber of Commerce strongly supports passage of HB 59, An Act Relating to the Recycling and Reduction of Litter. Our committee has worked hard over the past several years to make Fairbanks a cleaner, more beautiful place for the enjoyment of residents and visitors alike. We feel that continued State support in the form of Litter reduction and recycling legislation is important to our success.

Litter reduction and recycling are more than just "environmental" concerns. These programs enhance economic development and tourism in our state. We are proud of the contributions our committee has made in these areas; we encourage the Alaska State Legislature to support our local efforts through passage of this legislation.

Sincerely,



Art Buswell  
Co-Chairman



Heather Stockard  
Co-Chairman

BILL SHEFFIELD, GOVERNOR

DEPARTMENT OF LAW

CRIMINAL DIVISION

REPLY TO

CRIMINAL DIVISION CENTRAL OFFICE  
POUCH KC  
JUNEAU, ALASKA 99811  
PHONE: (907) 465-3423

OFFICE OF SPECIAL PROSECUTIONS  
AND APPEALS  
1031 WEST 4TH AVENUE, SUITE 313  
ANCHORAGE, ALASKA 99501-5993  
PHONE: (907) 273-7424

October 29, 1986

The Honorable Pat Pourchot  
House Representative  
P.O. Box 104836  
Anchorage, Alaska 99504

Re: Littering - AS 46.06.080

Dear Representative Pourchot:

Recently, a request was made by a member of your staff for the number of littering cases prosecuted under AS 46.06.080 and the sentences received. Since January 1, 1983, a total of 142 littering cases have been referred to the district attorney offices for prosecution statewide. Of the 142 cases referred, 41 individuals have been convicted and sentenced. Of these 41 cases only one person went to jail and that was for one day. More likely than not, this individual was arrested and received credit for time already served when he was sentenced by the court. Two other people received fines and suspended jail sentences with the remainder not receiving any jail sentence but being required to pay fines ranging from \$25 to \$250. About one-quarter of the people were also required to perform community work service, including picking up litter from 2 hours to 50 hours. About half of the defendants were placed on probation anywhere from 11 days to one year.

The person on your staff with whom I spoke had expressed the opinion that the heavy maximum sentence for littering (90 days in jail and/or \$1000 fine) was a disincentive to enforcement, but our records show that this is unlikely. The average fine among these cases was \$60; the average community work service was about 10 hours. If the littering laws are not being enforced it seems much more likely that in this era of declining revenues there are other areas of law enforcement that take a higher priority.

Representative Pourchot

October 29, 1986  
Page -2-

If I may be of further assistance, do not hesitate to contact me.

Very truly yours,

HAROLD M. BROWN  
ATTORNEY GENERAL

By: *Genelle Massey*  
Genelle Massey  
Special Assistant

Gf:ab-29