ALASKA LEGISLATURE COMMITTEE FILES 1999-2000 8672

9924 HOUSE LABOR & COMMERCE

HB

126

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During Interim: (June-Dec.)
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During Session: (Jan.-May)
State Capitol, Room 416
Juneau, Alaska 99801-1182
(907) 465-3719
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District 32
Representative John Coghill

MEMORANDUM

MAR 2 5 1999

To: Representative Norman Rokeberg, Chair
House Labor and Commerce Committee

From: Representative John Coghill, Co-chair
House HESS Committee

Subj: Request for Hearing – SSHB-126

Date: March 25, 1999

I am requesting SSHB-126, "An Act relating to sign language interpreters; establishing the Alaska State Board of American Sign Language Interpreters; and providing for an effective date," be heard before the House Labor and Commerce Committee. Thank you for your consideration.

E-Mail: Representative_John_Coghill@legis.state.ak.us

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District 32
Representative John Coghill

SPONSOR STATEMENT

SSHB-126

By: Representative John B. Coghill

I have introduced House Bill 126 at the request of the deaf community of Alaska. This legislation creates a new Chapter 19 establishing a State Board of American Sign Language Interpreters. It also requires anyone receiving compensation for interpreting for the deaf or hard of hearing to be licensed by this Board. Any violation of this Chapter will result in a class B misdemeanor.

I feel that this would bring a degree of integrity to an area of confusion in Alaska. This bill gives the deaf community a system of accountability and professionalism that is needed in our legal, medical and other professional communities of record.

The intent of this new Board and licensing is to compliment the national trend and to establish a higher standard of professionalism. Thank you and I would appreciate your support.

E-Mail: Representative_John_Coghill@legis.state.ak.us

From: Rep Coghill's Office
7 Apr 1994

SECTIONAL ANALYSIS SSHB-126

Section 1. **Intent language.** Create a strict liability offense.

Section 2. Amends AS 08 and adds a new Chapter 19 American Sign Language Interpreters.

ARTICLE 1 **Creation of a state Board and membership.**

(a) Creation of a state board consisting of five members appointed by the governor.

Two members will be licensed sign language interpreters who are not deaf.

One member will be a licensed sign language interpreter who is deaf.

One public member who is deaf and one public member who is not deaf but has knowledge of the requirements and obligations of deaf interpreting. The membership shall reflect the regional and cultural diversity of the state.

(b) The board shall elect a chair, vice-chair and a secretary.

Sec. 08.19.020 Defines the powers and duties of the Board.

(1) review the transcripts and documents of applicants relating to training, education and work experience and approve the issuances of licenses and provisional licenses.
(2) meet and conduct business twice a year.
(3) adopt regulations necessary to carry out the purpose of this Chapter.

ARTICLE 2. **Licensing**

Sec. 08.19.050 Requirements for license or provisional license

(a) A person who does not hold a license or provisional license may not

(1) receive compensation as an American Sign Language interpreter except as provided in (c) or (d) in this section;
(2) advertise as a person able to receive compensation as an interpreter;
(3) imply they are licensed interpreters by using letters, words or insignia in connection with American Sign Language interpreters.

(b) A person who does not hold a license may not act as a mentor or supervisor of a provisional licensee.

(c) A person holding a certificate from the Registry of Interpreters for the Deaf in another state, is not held to the limitation in (a) of this section for the first 30 days after moving from another state.

(d) A person who does not hold a license may interpret for compensation in an emergency situation only until a licensed interpreter arrives.

(e) A licensee may not interpret for compensation at a legal or quasi-legal proceeding unless their license states they hold a Specialist Certificate Legal from the Registry of Interpreters for the Deaf.

Sec. 08.19.060 Licensures for Interpreters

(a) The board shall issue a license to an interpreter who pays the required fee and submits the following satisfactory documentation showing the applicant is:

(1) certified by the Registry of Interpreters of he Deaf;
(2) is an associate member of the Registry of Interpreters for the deaf and is certified at a level four or five by the national Association of the Deaf;

(b) The board shall note on the license that the license holds a Specialist certificate Legal from the registry of Interpreters of the Deaf.

Sec. 08.19.070 Provisional License

(a) The board shall establish minimum regulations for issuing a provisional license to a person who applies, pays the required fee, and submits documentation they are an associate member of the Registry of Interpreters for the Deaf and has completed:

(1) an interpreter training program or interpreter preparation program; or
(2) 300 hours of documented interpreters experience and 50 hours of interpreter education through workshops or seminars.

(b) A provisional license is valid for two years and may be renewed once.

ARTICLE 3 License Denial; Disciplinary Sanctions

Sec. 08.19.100 Grounds for Denial and Disciplinary Sanctions

The board may deny a license or provisional license or impose disciplinary sanctions if the board finds that the person:

(1) secured or attempted to secure a license through deceit, fraud or intentional misrepresentation;
(2) engaged in deceit, fraud or intentional misrepresentation in course of providing professional services;
(3) advertised in a false or misleading manner;
(4) engaged in unprofessional conducted defined in regulations;
(5) intentionally or unintentionally engaged in or permit the performance of interpreting by persons that does not conform to minimum professional standards regardless of whether actual injury occurred;
(6) has been convicted of a felony and civil rights have not been restored or another crime that affects their ability to practice competently and safely;

(7) aided another person in violating AS 08.18.050;
(8) failed to comply with this chapter, regulations, or an order of the board;
(9) is incapable of engaging in the practice of American sign language interpreting with reasonable skill, competence, and safety for the public because of:

(A) professional incompetence

(B) other factors determined by the board.

ARTICLE 4 **General Provisions**

Sec. 08.19.900 Penalty Violation of this Chapter is a class B misdemeanor.

Sec. 08.19.990 Definitions.

(1) "board" means the Alaska State Board of American Sign Language Interpreters established under AS 08.19.010;
(2) "license" means a license issued by the Alaska State Board of American Sign Language Interpreters.

Section 3. AS 08.01.010 is amended by adding a new paragraph to read:

(36) Alaska State Board of American Sign Language Interpreters (AS 08.19.010).

Section 4. AS 08.03.010(c) is amended by adding a new paragraph:

(22) Established a sunset date - - June 30, 2003.

Section 5. AS 09.20.010(c) is amended to require the courts to pay the cost of a licensed interpreter for enabling a hearing or speech impaired person to act as a juror.

Section 6. AS 44.62.330(a) adds a new paragraph:

(60) Alaska State Board of American Sign Language Interpreters.

Section 7. **INITIAL BOARD MEMBERS**

(1) The three initial members shall have a term of two years. The two initial members shall have a term of four years.
(2) The initial members need not be licensed until March 30, 2000. If the member is not licensed by March 30, 2000, the member forfeits office and the seat is considered vacant until filled by another appointment.

Section 8. **DELAYED EFFECTIVE DATE**

This Act takes effect March 30, 2000

HB

127

HOUSE COMMITTEE REPORT

(7)

Date Referred to Committee: March 19, 1999 FURTHER REFERRALS:

Date of Committee Action: 29 mar 1999

The LABOR AND COMMERCE Committee considered: HB 127

HOUSE BILL NO. 127 LIMIT WEIGHT OF STUDS USED ON TIRES

"An Act relating to the sale of studded tires; and providing for an effective date."

recommends it be replaced with the following committee substitute CSHB 127(L+C) [✓] the same title [ ] a new title

[ ] additional referral to _____ Committee
[ ] attached amendment(s)

ADOPTS: _____ _____ Letter of Intent

ATTACHES NEW FISCAL NOTE(s): (Dept) APPROVES PREVIOUS: (Dept/Date)

[ ] fiscal note(s) _____ [ ] fiscal note(s) _____

[ ] zero fiscal note(s) _____ [✓] zero fiscal note(s) DOT/PF

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
			✓	
	✓			
			✓	
			✓	
	✓			
			✓	

CHAIR'S SIGNATURE _____

Subject:
Date: Sun, 11 Apr 1999 09:01:04 -0800
From: "Snowhite" <snowhite@ptialaska.net>
To: <Representative_Norman_Rokeberg@legis.state.ak.us>

APR 12 1999

04/09/

Representatives:

HB127, a resolution to limit studded tire use, will come up for a floor vote on Monday, 4/12.This bill, as it reads, would eliminate the use of steel studs in tires. Passing this bill would not be appropriate: PLEASE VOTE AGAINST THIS BILL.

The purpose of this bill, as stated in the sponsor's statement, is a savings in road maintenance costs. It draws this conclusion from a study by DOT . A full reading of this study shows other recommendations for reducing roadwear.

Currently the states of WA and OR have laws in place restricting the weight of studs used in tires. WA law limits the weight to 1.5g per stud, where HB127 restricts stud weight to 1.3g. A 1.5g restriction would allow for a lighter steel stud, providing the extended durability of the steel shanked stud as opposed to faster wearing aluminum or plastic studs. OR recently revised their law to match WA stud weight restrictions- originally they had eliminated the use of steel studs (by virtue of a 1.1g weight restriction) and found numerous consumer complaints about safety, durability, and wear time of the lighter weight studs. In a local study, aluminum studs and steel studs installed in the same tire provided drastically different wear rates. Elimination of steel shanked studs will result in more frequent replacement of tires at greater cost to all vehicle operators. Rep. Davies stated in floor debate on Fri 4/9 that despite repeated requests, no one has provided proof that lightweight studs provide equal safety when compared to conventional, steel shanked studs.

There are many factors that lead to premature roadwear. Rep Barnes related on Fri. 4/9 that Tudor Rd. in Anchorage was resurfaced in the spring and ruts developed even before the first winter- studded tires cannot be blamed for poor construction & materials. A better quality of aggregate was a recommendation of the DOT study. Yet HB127 makes no mention of this. Instead it aims to eliminate a choice Alaskan drivers have for what they feel is the safest equipment for their vehicles.

HB127 ignores other recommendations of the DOT study. A reduction of the legal season for studded tire use would be another effective way to reduce costs. There is little need for studded tires at the present time, yet they are legal in Anchorage for 3 more weeks. By changing the legal dates from 9/15-4/30 to 10/1-4/15, you could have a 15% reduction in all studded tire use. Using DOT figures this could save nearly $1million annually, without forcing a change in the type of stud allowed. Increased enforcement of illegal stud use throughout the summer months would also cut down on roadwear.

While everyone wants safe roads and economic savings, HB127 provides only a partial solution while having the most impact on the choices of Alaskan Drivers. This bill faced little resistance in committee, but I would urge you all to contact a tire dealer in your district to hear what their customers- your constituents- have to say. You will find many people would rather see a more complete approach to reducing roadwear than simply taking away the studs they rely on for safety in the winter months.

PLEASE VOTE AGAINST HB127.

THANK YOU,
Brad Bylsma
American Tire

Warehouse

Anchorage

Municipality of Anchorage

P.O. Box 196650
Anchorage, Alaska 99519-6650
Telephone: (907) 343-7968
Fax: (907) 343-7978
http://www.ci.anchorage.ak.us

Rick Mystrom, Mayor

OFFICE OF THE EXECUTIVE MANAGER

March 24, 1999

Rep. Norman Rokeberg
Labor & Commerce Committee Chair
Alaska State Legislature
State Capitol
Juneau, AK 99801

MAR 2 9 1999

Re: HB 127, Sale of Studded Tires

Dear Rep. Rokeberg:

Thank you for asking for our comments on HB 127. The bill, if enacted as written, will affect emergency services for the Municipality and will have a minor fiscal impact on other government services.

The bill does not apply to commercial motor vehicles, however emergency and fire equipment are specifically excluded from the definition of "commercial motor vehicle" in AS 19.10.399. MOA operates about 40 ambulances and fire apparatus that rely on studded tires for added traction. We would ask that emergency and fire equipment also be exempted.

Notwithstanding the fire and emergency vehicles, we estimate that using lightweight studs will cost the Municipality less than $7,000 per year in the combined added cost of the lightweight studs and reduced expected useful life of the tires.

Again, thank you for requesting our comments on this bill. We would appreciate your consideration of an exemption for emergency vehicles.

Sincerely,

Tim Rogers
Legislative Program Coordinator

1-LS0567\H
Ford
3/25/99

adopted
3/29/99

CS FOR HOUSE BILL NO. 127(L&C)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - FIRST SESSION

BY THE HOUSE LABOR AND COMMERCE COMMITTEE

Offered:
Referred:

Sponsor(s): REPRESENTATIVE MASEK

A BILL

FOR AN ACT ENTITLED

"An Act relating to the sale of studded tires; and providing for an effective date."

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

*** Section 1.** AS 45.45.200 is amended by adding a new subsection to read:

(f) A shop may not sell or offer for sale a new studded tire, or install studs in a new or used tire for a customer, unless each stud weighs not more than 1.3 grams. This subsection does not apply to a stud installed on a tire to be used on a commercial motor vehicle. In this subsection,

(1) "commercial motor vehicle" means a vehicle described in AS 19.10.399(1)(A) - (C);

(2) "studded tire" means a tire with metal studs imbedded in the periphery of the tire surface.

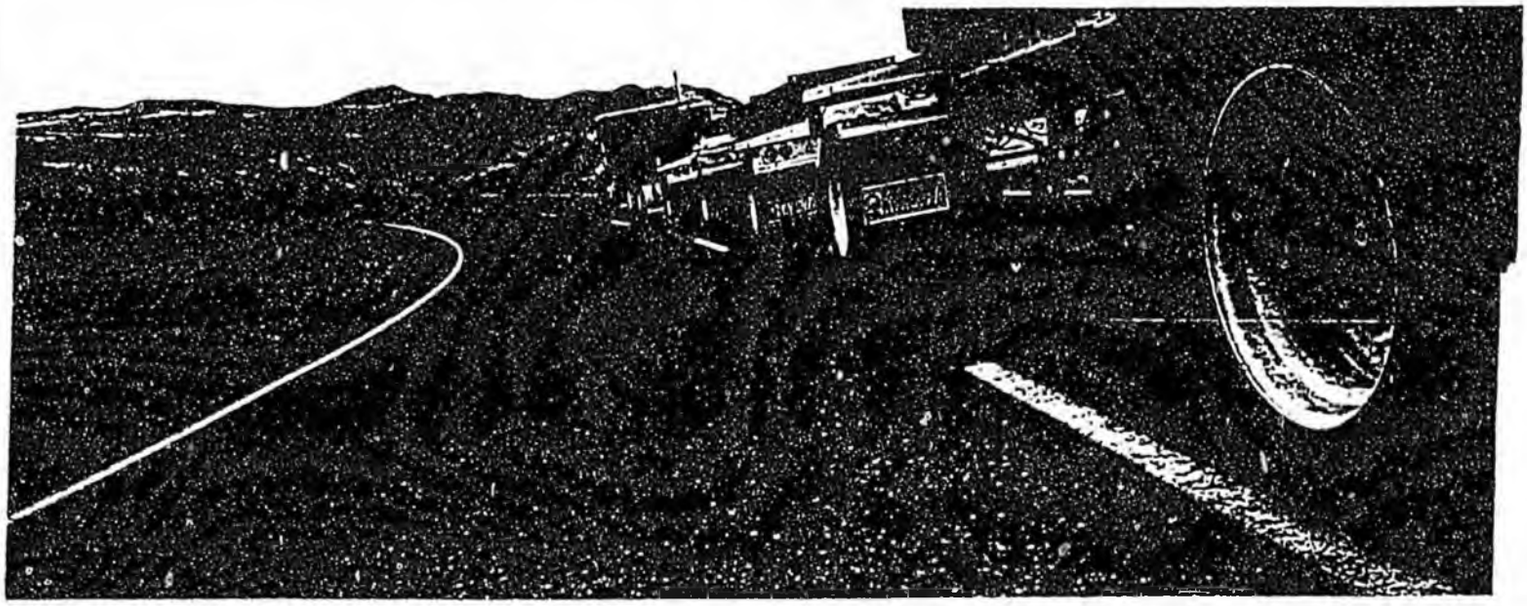
*** Sec. 2.** This Act takes effect July 1, 2000.

New Text Underlined [DELETED TEXT BRACKETED]

SMOOTHER, STURDIER, HIGH-TECH HIGHWAYS

A new asphalt road used to be laid the same way as an old one. All that has changed with the custom-blending of Superpave.

BY STUART F. BROWN



DRIVERLESS TRUCKS, loaded with tons of plate steel, pound experimental pavements at WesTrack, a test facility in the Nevada outback.

When the man in command of the growling, 30-wheel diesel rig flips a switch and lets go of the steering wheel, it's clear that we're about to (1) sample some nifty robot truck technology in action, or (2) have an off-road experience that could be wicked bad, considering that the triple trailers out back are loaded with steel plates that bring our gross weight to 152,000 pounds. But as we approach the first turn, the truck begins deftly making steering corrections that aim it to the left on a perfect course around WesTrack, a 1.8-mile oval located along the old Pony Express trail in the remote high-desert country east of Carson City, Nev.

For much of the past two years, four of these ingeniously modified driverless trucks have been using computers, sensors, and guide wires embedded in the pavement to circle WesTrack for 20 or more hours a day, seven days a week, in an effort to inflict the equivalent of ten years of wear and tear on patches of road paved with 26 different asphalt recipes. Some sections are now deeply rutted and some show cracking, while others don't look so bad. The wisdom gleaned at WesTrack, which is funded by the Federal Highway Administration, will soon be put to use in a big way. Outlays for improving, widening, and extending the nation's highway system will get a 44% boost over the next six years under the $216 billion Transportation Equity Act for the 21st Century (a.k.a. TEA-21), passed by Congress last summer.

That means fatter orders for the $15-billion-a-year industry that produces hot-mix asphalt, the surface used on more than 90% of the nation's 2.27 million miles of paved roads. It also means smoother, longer-lasting highways for business and pleasure, since the stepped-up spending will make use of big advances in the technology of mixing and laying down asphalt.

Roads are more important than ever to the economy as manufacturing practices like just-in-time inventory keep countless trucks shuttling around. "The highway becomes the warehouse," observes Neil Hawks, director of special projects at the Transportation Research Board, a private group in Washington, D.C. The price of delays is steep, and so is the damage from bumps and potholes. The Surface Transportation Policy Project, a coalition of transportation organizations, estimates that bad roads cost Americans $6 billion a year in ruined tires, wheels, and suspension parts, and other damage to motor vehicles.

The push to improve paving methods started with the Strategic Highway Research Program, a federally funded effort from 1987 to 1993. This gave birth to a set of procedures now used in 45 states and known as Superpave, for superior-performing asphalt pavements. Not an actual product or recipe, Superpave is a set of test-

PHOTOGRAPHS BY KAREN HALVERSON

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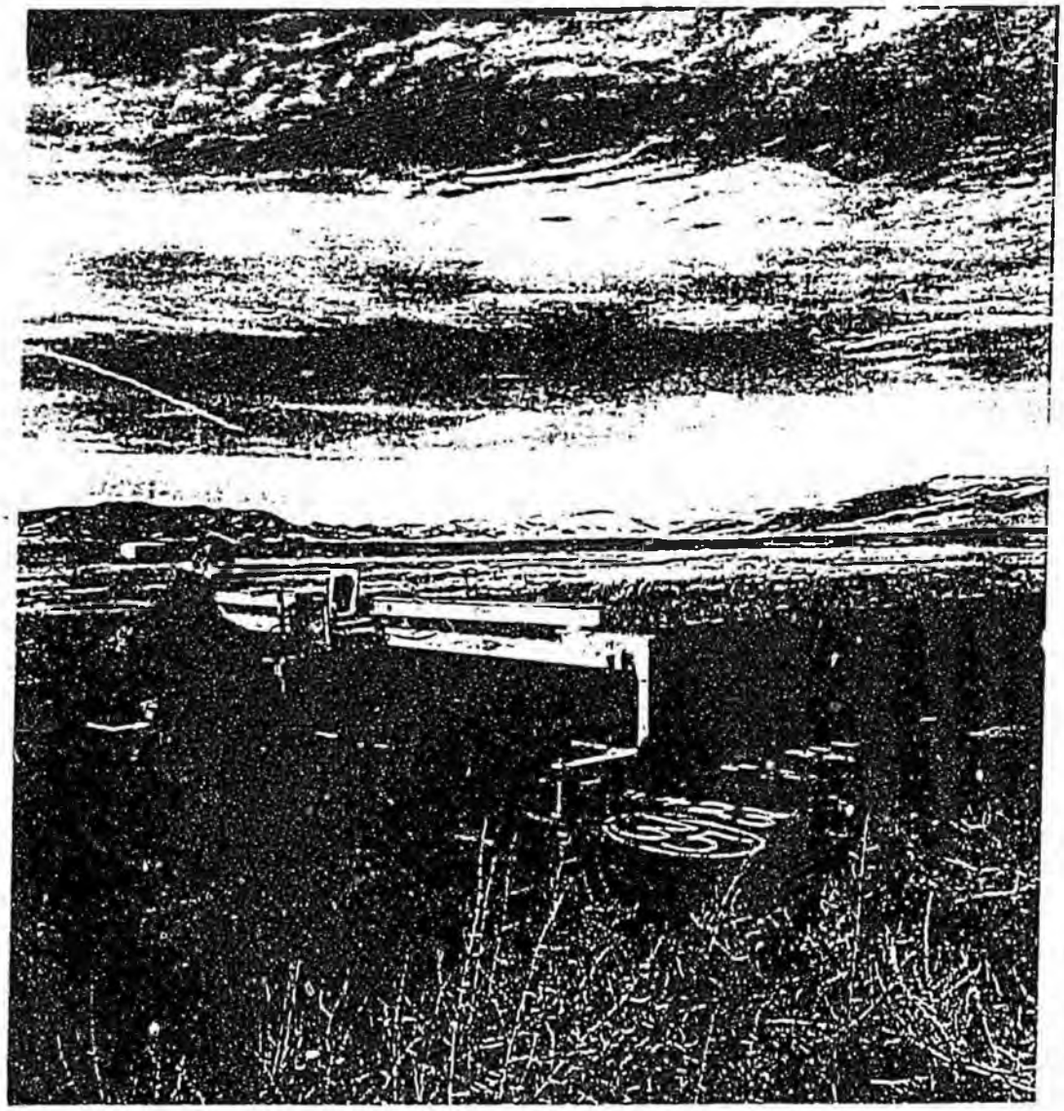

A LASER PROFILOMETER is used by a WesTrack worker to measure the depth of pavement ruts.

ing methods and formulas for cooking up durable pavements that meet the traffic and climate demands of roads built in regions as different as the Dakotas and Death Valley.

That's quite a change. State and local highway authorities have traditionally issued "method" specifications to paving contractors. Such specifications are based on experience; they say, in effect, we want you to repeat precisely the road-building procedure that appeared to work well the last time around. If ruts and potholes soon appeared, the contractor could avoid blame by saying he'd done as he was told.

Superpave seeks to get maximum results by replacing these rule-of-thumb specs with performance-based ones derived from best practices and scientific findings. Not only must the paving material be blended for local needs, but in addition states are increasingly placing the onus on contractors, through bonus-and-penalty payment schemes, to build a smooth and durable road. If the job doesn't hold up, the contractor may have to rip up and repave the road at his own expense. Well-run paving companies are responding to these incentives by improving their quality control.

It's a bit early to tell how much more durable Superpave roads will prove. According to E. Ray Brown, director of the National Center for Asphalt Technology at Alabama's Auburn University, about 31,000 lane-miles of Superpave highway have been laid down since 1993. Brown has studied 40 Superpave sites in eight states with climates as varied as Wisconsin's and Florida's, where much of the pavement has been in use for three to four years. After that long, it's apparent if the paving job was botched. But so far, Brown says, the sites studied are looking good and he's encouraged. A good Superpave job ought to last 12 to 15 years, he says. Paul J. Mack, a New York State Department of Transportation engineer and leader of a multistate team that's keeping abreast of Superpave progress, says that "the states are expecting significant improvements in performance."

All blacktop roads may look alike, but an enormous amount of custom tailoring is possible. Crushed stone, or aggregate—ranging in size from an inch and a half in diameter down to dust-sized particles—typically makes up 95% of hot-mix asphalt. The other 5% or so that holds it together is asphalt cement, the tarry black stuff left at the bottom of a petroleum refinery's cracking tower after gasoline and other lighter fractions are drawn off.

Superpave roads use more big stones than in the past, and 50% of them are more than a quarter-inch in diameter, vs. 40% formerly. Under Superpave procedures, the proportions and sizes of the aggregates are determined by the weight and number of vehicles the road is expected to carry. With the right mix, says Neil Hawks, an Interstate highway traveled by big trucks should hold up fine. And instead of merely copying old formulas used in a region, engineers consult local weather records to determine the temperature highs and lows the road will likely encounter.

These days, asphalt cement can be mixed with special polymers and other additives to meet the physical demands of a region's summers and winters without failing, much as multiviscosity crankcase oil holds up the year round in a car's engine. With the summer sun comes the threat of rutting, as heavy truck wheels bear down on the warm pavement. In winter, cracking due to brittleness is the hazard the chemists want to avoid.

Though contractors are already building better roads, engineers continue trying to come up with better pavement mixes, even for Superpave. "It's a step forward," says Jon A. Epps, the principal investigator at WesTrack and a professor of civil engineering at the University of Nevada in Reno. But because the four Superpave stretches at WesTrack

have taken a huge amount of punishment from those big trucks, he says, "we've been able to revise things and come up with better mixes." Epps adds that the varying asphalt-cement content, aggregate size, and degrees of compaction used in all of WesTrack's sample pavements are helping determine the limits engineers must respect when they formulate recipes.

WesTrack's accelerated-wear results will be correlated with observations from the Long-Term Pavement Performance program, a 20-year effort begun a decade ago that is monitoring the condition of more than 2,000 stretches of North American highway. Although lab methods have improved in recent years, according to Epps, the still-missing link is "a test that truly predicts hot-mix performance in the real world, to make sure we don't build roads that fail like these weak sections at WesTrack. That will be the next wave of technology."

While the research goes on, contractors in a growing number of states are out there laying down Superpave mixes. One of the biggest contractors is APAC in Atlanta, a subsidiary of Ashland Inc., which owns 42 road-building companies operating in the Midwest and Southeast. Charles Potts, APAC's president, says, "I think the performance has met or exceeded expectations so far and created an awareness in the road-building industry of the kind of quality-control programs you have to have in place to meet these improved specifications."

Superpave isn't the only new technique for building better highways. APAC has had success in Georgia and other states laying down a special rutting-resistant type of pavement known as stone-matrix asphalt (SMA), a design originally developed in Scandinavia to resist wear from studded snow tires. SMA uses large, hard aggregate particles of uniform size to bear the entire load of heavy truck traffic. In other pavement formulas, the asphalt cement bears about 30% of the traffic loads, with the rock content handling the balance.

Out at the job sites, new machines are doing a better job of laying down the black stuff. One innovative equipment builder is Astec Industries in Chattanooga, which owns a group of companies that make everything from rock crushers that produce aggregate, to hot-mix plants that prepare paving material, to machines that apply it to the roadway. Astec's CEO, J. Don Brock, an energetic mechanical engineer who sketches ideas on three-by-five file cards as he talks, is particularly proud of a material-transfer vehicle called the Shuttle Buggy.

With four fat tires and a hopper that holds 25 tons of hot mix in the larger of two versions, the vehicle acts as a buffer, maintaining a steady flow between the dump trucks shuttling back and forth from the hot-mix plant and the paving machine that's laying down asphalt. By providing the paver with a steady flow of material, the buggy enables it to keep moving, thus eliminating the surface bumps that tend to form when the machine stops to wait for the next dump truck to arrive.

A powerful auger in the buggy's hopper

keeps the 300° F. hot mix stirred up, smoothing out temperature variations that arise while the material is being trucked to the job. Cool spots, which aren't visible to the naked eye, can't always be fully compacted by vibratory rollers that move in after the pavement is laid down. This leaves voids where water can get in and freeze, ruining the surface. "Today's cool spot is tomorrow's pothole," Brock warns.

Environmentalists as well as cost-conscious taxpayers will be happy to know that a growing amount of paving material gets recycled. What's more, it's likely that some recycled material can go into hot-mix asphalt that meets the standards of Superpave. Astec builds a line of pavement-milling machines that can rip away the top inch or two of an ailing road's surface. Instead of being dumped somewhere—long the standard practice—the recovered material can be trucked back to the asphalt plant and mixed with new.

APAC's Potts became a recycling advocate earlier in his career when he was a state of Florida materials engineer. "Properly mixed, recycled materials will perform as well as and in some cases better than a virgin mix, because sometimes the reclaimed materials are of better quality," he says. "The taxpayers have already paid for this material, which contains a valuable petroleum product and also good aggregate, which can be a precious thing in areas where there aren't good rock quarries."

Figures compiled by the National Asphalt Pavement Association, a trade group in Lanham, Md., show that in recent years about 30 million tons of milled-off asphalt has been recycled annually into new pavement, and another 50 million tons used as shoulder surfacing or aggregate beneath the surface layer. The total, about 80 million tons, is equal to about one-sixth of the new paving material produced.

The hot mix used in today's big paving projects comes from highly automated plants like the one Granite Construction Co. operates in Lockwood, Nev. Though Nevada hasn't widely adopted Superpave yet, this complex, located in an arid, meandering canyon, can cook up just about any formula the specs call for.

At the upper part of the canyon, a big Caterpillar D-10 bulldozer equipped with a ripper tooth breaks rock free from a hillside. Next, one of the fastest machine operators you're likely to see hustles the stuff into the jaws of a rock crusher using a huge Volvo front-end loader. After running through finer crushers and screens that sort the stones by size, the aggregate is washed and sometimes coated with lime that helps asphalt cement adhere to it better. Then it is conveyed by size into separate "cold bins." Today's sophisticated mixes call for seven or more different bins; in the past just a few sufficed.

Up in the control booth of the 600-ton-per-hour plant, a multitasking sort of guy known to his fellow workers as Sparky (his driver's license says Richard Whitman) makes the decisions that feed different grades of aggregate, along with variably formulated asphalt cement, into a rotating steel drum. A roaring tongue of flame inside drives off all moisture and blends the materials into the glistening, slightly smoky stuff that will be extruded from a paving machine within a few hours. Technicians in the plant's lab frequently check the incoming materials and outgoing product to make sure they're on spec for the job of the moment.

Highways aren't all they could be. But smart new road-building methods, better machinery—and the careful research data being produced by those driverless trucks in the Nevada desert—offer hope of happier driving experiences in the years to come. ◻

Anch Daily News
26 May 1999

Studs bill is good idea

I support House Bill 127, sponsored by state Rep. Beverly Masek, which will limit the sale of noncommercial vehicle tire studs after July 1, 2000, to studs weighing 1.3 grams or less.

The tire ruts in the Seward Highway, Minnesota Drive, I Street, L Street and other major arteries are caused by tungsten carbide steel studs gradually chipping away very small bits of asphalt. They cost Alaska about $5 million a year in road maintenance costs. We don't have that money to waste anymore.

The momentum of a moving body is its mass times its velocity. If we halve the mass of a tire stud, we halve its impact on the roadway as it rotates at the speed of travel. Duh.

Studs improve traction for the user on hard ice, but they reduce traveling safety for the general public. The ruts wear off the asphalt, exposing the stone matrix, which is quite slippery. Anyone who has hiked on wet stones knows how slippery it is. Ruts retain water, slush and ice, causing tire slippage and hydroplaning. Some drivers develop overconfidence with studs and drive too fast.

We also should increase the auto registration fees for a special license tab that allows stud use. If you cause unneeded government spending, you should pay. Right?

— Paul Todd
Anchorage

ALASKA STATE LEGISLATURE
HOUSE LABOR AND COMMERCE COMMITTEE

Representative Norman Rokeberg, Chairman
Representative Andrew Halcro, Vice-Chairman
Representative John Harris
Representative Lisa Murkowski
Representative Jerry Sanders
Representative Tom Brice
Representative Sharon Cissna

State Capitol
Juneau, AK 99801-1182
Telephone: (907) 465-4954
Fax: (907) 465-2040

MEMORANDUM

TO: Alaska Tire Service, ~~340-6155~~ 349-6155
Johnson's Tire Service, 563-6784
American Tire Service, 276-1688
Northern Tire Service, 344-7289
Coastal Tire Company, 247-0916 (Ketchikan)
Coastal Tire Company, 456-2021 (Fairbanks)
Coastal Tire Company, 780-4331 (Juneau)
Denali Bandag, Inc., 277-0456
Federal Express, Anchorage, 248-7846
United Parcel Service, Anchorage,
Larry Wiget, Anchorage School District, 269-2340
Tim Rogers, Municipality of Anchorage, ~~454-7978~~ 343-7978
Alaska Trucking Association, 274-1946
Associated General Contractors, 563-9893
Alaska State Chamber of Commerce, 463-5515
Anchorage Chamber of Commerce, 272-4117

FROM: Rep. Norman Rokeberg, Chairman
House Labor & Commerce Committee

Norm Rokeberg

DATE: March 22, 1999

RE: HB 127

House Bill 127 addresses the sale of studded tires. The bill requires that after the effective date (July 1, 2000) only studded tires where each stud weighs not more than 1.3 grams can be sold in Alaska. A copy of the bill follows.

The House Labor & Commerce Committee will be considering this bill shortly. Before we go much further, however, I would like you to comment on any impact this legislation might have on you or your organization. Please feel free to distribute this packet to others that might be interested in this matter.

Comments may be sent to my Juneau office fax at (907) 465-2040 or comments may be sent via email to:

Representative_Norman_Rokeberg@legis.state.ak.us

cc: Rep. Masek

FISCAL NOTE

STATE OF ALASKA
1999 LEGISLATIVE SESSION

BILL NO. HB 127

Revision Date/Time (Note if correction) _____ Dept. Affected DOT&PF

Title Limit Weight of Studs Used on Tires BRU Commissioners Office

Component _____

Sponsor Representative Masek

Requester (H) TRA Component Serial No. _____

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0
Travel	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	0.0	0.0	0.0	0.0	0.0	0.0
Supplies	0.0	0.0	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
CHANGE IN REVENUES ( )	0.0	0.0	0.0	0.0	0.0	0.0

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1037 GF/Mental Health	0.0	0.0	0.0	0.0	0.0	0.0
Other (Specify Type)	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY99) cost: 0.0

POSITIONS

Full-time	0	0	0	0	0	0
Part-time	0	0	0	0	0	0
Temporary	0	0	0	0	0	0

ANALYSIS: *(Attach a separate page if necessary)*

The Department estimates that heavier studs cause approximately $5 million worth of damage to state owned roads annually. This bill would significantly reduce the amount of damage done to state roads due to studs and thereby reduce the amount of deferred maintenance that we add to the backlog annually.

Prepared by Dennis Poshard, Legislative Liaison Phone 465-3904

Division Office of the Commissioner Date/Time 3/15/99 1:45 PM

Approved by Commissioner [signature] Date 3/15/99

Agency Department of Transportation and Public Facilities

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Alaska State Legislature

Representative Beverly Masek

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SPONSOR STATEMENT

House Bill 127

"An Act relating to the sale of studded tires; and providing for an effective date."

According to the Department of Transportation & Public Facilities, Alaska spends $5 million a year to repair ruts caused by studded tire use. The State of Alaska can save up to $2 million per year from reduced road wear once this legislation is in place.

Tests in Finland and Sweden have shown that there is "no appreciable difference in the traction effectiveness of conventional studs versus lightweight studs". Furthermore, both lightweight and conventional studs wear at approximately the same rate as the tire and offer a service life of three to four winters.

House Bill 127 mandates the sale and installation of lightweight (less than 1.3 gram) studs in tires used on vehicles less than 10,000 pounds. This point-of-sale legislation grandfathers in tires that are already studded and in use. The bill takes effect on July 1, 2000 and thus gives reasonable lead time to tire companies to prepare their inventory.

This bill will allow the State of Alaska to re-route funds that are now being used to repair stud-related road wear to the detriment of other improvements throughout the highway system.

I urge the Legislature to pass this bill which will reduce wear on our roads and at the same time save state money.

Alaska Professional Design Council
Box 10-3115, Anchorage, Alaska 99510-3115

March 15, 1999

Honorable Beverly Masek
Representative, District 28
Chair, House Transportation Committee
Alaska State Legislature
State Capital (MS3100)
Juneau, Alaska 99801-1182

Re: HB 127, An Act relating to the sale of studded tires; and providing for an effective date.

Dear Representative Masek:

APDC would like to thank you for your support and introduction of House Bill 127.

The State of Alaska is battling with severe wear of our roadways. We have all seen and driven in the ruts on major roadways. Studies completed by the State Department of Transportation indicate that there are three factors that would significantly decrease road wear on Alaska's highways. The first is using a Stone Mastic Asphalt mix. The second is using harder aggregate (rock) material in the pavement. The third is to encouraging use of lightweight studded tires.

The State DOT is addressing two of the three issues. They are currently utilizing a Stone Mastic Asphalt mix design and are investigating possible sources of harder aggregate material. The third issue though is related to roadway use. Use of lightweight studded tires can decrease the wear and rutting of the roads in Alaska by decreasing the striking force of each stud.

APDC is interested in this issue for two reasons. First, we believe that, if left unrepaired, the rutted roadways pose a safety hazard to the motoring public. Second, we encourage preventative maintenance of our road infrastructure. While connecting direct savings to decreasing wear on our roadways would be extremely difficult, we believe that by engaging in this type of preventative maintenance action, we are bound to free up an undetermined amount of federal construction funding that will then be available for other projects.

This, we believe is an important preventative maintenance issue, and we would like to encourage all members of the House Transportation Committee to support passage of this measure.

Thank you for your support on this important issue. If you have any questions, please call.

Sincerely,

Wm. Dwayne Adams, Jr., President
Alaska Professional Design Council (APDC)

STUDDED TIRE USE
as of April 10, 1998

FHWA REGION/ STATE	LEGAL		ALLOWABLE		COMMENTS
	YES	NO	FROM	TO	
Region 1					
Connecticut	x		11/15	4/13	(CT): This does not apply to emergency vehicles, road-making equipment (in use), farm tractors for the purpose of taversing the highway, trucks, tracotrs, trailer, or semitrailer under permit
Maine	x		10/01	4/30	(ME): Commissioner of Transportation may extend the use period or, in a special case, grant a permit covering additional times. The fee for such permits shall be greater than S3 but not more than S15. Use period does not apply to fire department vehicles or school buses during the months school is in session
Massachusetts	x		11/01	5/01	(MA): Fire vehicles exempt
New Hampshire	x		11/15	4/01	
New Jersey		x			
New York	x		10/16	4/30	(NY): stud dia. <3/8": stud protrusion <3/32", contact area of studs can not exceed 3/4 of one percent of the nominal contact area of the tire, school buses, State and municipally owned vehicles are exempt from the date restriction.
Rhode Island	x		11/15		(RI): Stud shall be flat headed; protrusion ≤ 1/16"
Vermont	x			4/01	
Region 3					
Delaware	x		10/15	4/16	
D.C.		x			
Maryland	x		11/01	3/31	(MD): legal only in Allegany, Carroll, Frederick, Garrett, and Washington counties and for out of State registered vehicles
Pennsylvania	x		11/01	4/15	(PA): protrusion not to exceed 2/32" beyond tread of traction surface
Virginia	x		10/15	4/15	(VA): GVW≤ 10,000, 1/16" stud proptrusion, < 3% of total tire contact are
West Virginia	x		10/15	4/15	(WV): no vehicle, other than school buses, shall be equiped with studded tires which are operational with a recommended air pressure greater than 40 psi. Specifications for studs are established by rules and regulations established by the Commissioner of Highways

Region 4						
Alabama	x					
Florida	x				(FL):	Providing the studs do not materially injure the roadway surface.
Georgia	x					
Kentucky	x					
Mississippi		x				
North Carolina	x				(NC):	protrusion shall be ≤ 1/16"
South Carolina	x				(SC):	protrusion shall be ≤ 1/16"
Tennessee	x		10/01	4/15	(TN):	for the first 1,000 miles of tire life the contact area shall be ≤ 20% of the total tire contact area, after the first 1,000 miles the contact shall be ≤5% of the total tire contact area. Vehicles with a GVW of > 9,000 shall not use studded tires except for school buses and emergency vehicles
Region 5						
Illinois		x			(IL):	rural letter carriers and some disabled drivers may use studded tires from 11/15 to 4/1
Indiana	x		10/1	5/1	(IN):	studs must be of wear resisting material, provide resiliency upon contact with the road, protrusion ≤ 3/32", and constructed to prevent any appreciable damage to the road surface
Michigan		x			(MI):	law enforcement, ambulance, and rural mail carriers exempt from restriction
Minnesota		x			(MN):	rural mail carriers may apply for a permit. There are strict requirements as to time the permit is valid, when studded tiresmay be used, and to the studs themselves.
Ohio	x		11/1	4/15	(OH):	public safety vehicles and school buses exempt from time restriction
Wisconsin		x			(WI):	authorized emergency vehicles, mail delivery vehicles, and out of State register vehicles (30 day limit) exempt from prohibition
Region 6						
Arkansas	x		11/15	4/15	(AR):	protrusion ≤ 1/16"
Louisiana		x				
New Mexico	x				(NM):	No time restrictions
Oklahoma	x		11/01	4/1	(OK):	metal or porcelain studs, contact area ≤ 3% of the traction area, protrusion ≤ 3/32"
Texas		x				

Region 7					
Iowa	x		11/1	4/1	(IA): max protrusion = 1/16"; school buses and fire department emergency apparatus exempt from time restrictions
Kansas	x		11/1	4/1	(KS): Studs can be metallic or non-metallic but must not materially injure the roadway surface
Missouri	x		11/1	3/3 1	
Nebraska	x		11/1	4/1	(NE): max stud dia. = 5/16"; ≤ 7/64" ave. protrusion; school buses, mail carrier vehicles, and emergency vehicle exempt from time restrictions
Region 8					
Colorado	x				(CO): limited to single tired passenger vehicles and vehicles ≤ 3/4 ton. Protrusion ≤ 1/16"
Montana	x		(a) 10/1 (b) 8/15	5/31 6/15	(MT): period (a) is for all vehicles except school busses and that is period (b)
North Dakota	x		10/15	4/15	(ND): protrusion ≤ 1/16", school buses exempt from time restriction
South Dakota	x	x	10/01 5/01	4/13 9/13	(SD): school bus or fire vehicle w/ GVW > 5000 pounds owned or operated by a local government exempt from time restriction
Utah	x		10/15	3/31	(UT): protrusion ≤ 0.05", limited to vehicles with gross weight ≤ 9000 pounds except for emergency vehicles or school buses
Wyoming	x				
Region 9					
Arizona	x		10/1	5/1	(AZ): the number of or the % of metal in contact with the roadway does not exceed 3% of the total tire area in contact with the roadway
California	x		11/1	4/1	(CA): the number of or the % of metal in contact with the roadway does not exceed 3% of the total tire area in contact with the roadway. Emergency vehicles as defined in motor vehicle code exempt from time restrictions
Hawaii	x				(HI): use limited to Mauna Kea access road above Hale Pohaku or any road within the Mauna Kea Reserve leased to the University of Hawaii
Nevada	x		10/1	4/30	(NV): metal contact ≤ 3% of total tire contact area

Region 10					
Alaska	x		(1) 9/16 (2) 9/31	4/30 4/14	(AK): (1) north of 60 North Latitude and at any latitude on a paved portion of the Sterling Highway, (2) south of 60 North Latitude; protrusion ≤ 1/4"; a permit can be obtained for studded tire use at the operators discretion
Idaho	x				
Oregon	x				(OR): protrusion ≥ .04" but ≤ .06"; tire dealers limited to sell studded tires that are not equiped with lightweight studs; lightweight studs are defined as a stud that is recommended by the manufacturer of the tire for thetype and size of the tire and that: (a) weighs no more than 1.5 grams if the stud size is 14 or less; (b) weighs no more than 2.3 grams if the stud size is 15 or 16; or (c) weighs no more than 3.0 grams if the stud size is 17 or larger.
Washington	x		11/01	4/1	

Subject: Spokane.net - Idaho wants smaller tire studs
Date: Fri, 26 Feb 1999 01:37:59 -0900
From: Tony Barter <tony_barter@DOT.STATE.AK.US>
Organization: State of Alaska, Department of Transportation
To: Ted Deats <Ted_Deats@legis.state.ak.us>

You may find this interesting.

Tony

http://www.spokane.net:80/news-story-body.asp?Date=092198&ID=s454653&cat=section.Trans

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▶ September 21, 1998

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Idaho

Idaho wants smaller tire studs

Associated Press -

BOISE _ Studded tires are causing millions of dollars in damage to Idaho roads, and the Idaho Transportation Department is proposing that motorists switch to smaller studs.

It is both a monetary and a safety issue, Transportation Board member Mike Mitchell said. Studded tires dig grooves, which can cause cars to hydroplane and drivers to lose control when rain collects in them, Mitchell said.

``We can't have good roads if the studs are tearing them apart," he said. Studies in Oregon show studs cause $42 million worth of damage a year there.

Mitchell and other board members are recommending that the Legislature consider a bill to ban the larger studs when it reconvenes in January.

Some studies have shown that traction and stopping power are not diminished by the change, said Bryon Breen, Transportation Department assistant maintenance engineer. However, smaller studs can cut road wear by 50 percent, he said.

State Sen. Hal Bunderson said reducing wear and tear on the roads would help avoid a gas tax increase. Bunderson is vice chairman of the Senate Transportation Committee.

``It sounds like the Transportation Department proposal is reasonable, and I'll certainly take a close look at it," he said.

Transportation officials said retailers would have until July 1, 2000, to sell off existing inventories of heavier studs.

ENTERTAINMENT

Schools

ENTERTAINMENT

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Reply

Read replies

Paul Todd
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Phone 907 277 7715 Fax 907 277 7905
E-mail 76754.2723@compuserve.com

March 18, 1999

HONORABLE STATE REPRESENTATIVES.
HONORABLE STATE SENATORS:

I am testifying today as an individual citizen in favor of Rep. Masek's bill to reduce the permitted weight of studs in tires sold for non-commercial vehicles to 1.3 grams, effective in 2000. I have no financial or business interest whatever in this matter.

My name is Paul Todd and my mailing address and contact information are on the statement I am giving to the staff. I reside just south of downtown in the 15th House District. My driving is primarily in the downtown area, Spenard, and on Minnesota Drive and Seward Highway from downtown to Girdwood. Our vehicles are two 4-wheel drive Subarus, equipped with all-season tires without studs; we leave these tires on all year.

In traveling on high-speed roads and heavily used intersections I frequently observe depressed "tracks" in major roads which also include I and L streets and 15th Avenue. On closer examination, it is evident the asphalt has been abraded away by stud wear, exposing the river stone matrix underneath.

COSTS

During reconstruction of Minnesota Drive a few years ago, a state highway engineer opined to our Community Council that roads like Minnesota lose 20% to 50% of their service life due to tire stud damage. We are talking about millions of dollars each time this road is repaved. I can also tell you that in Michigan, which banned studs after a brief experiment in the 1970s, I-94 was completely repaved in concrete, and three years later I personally observed major damage from chipping and flaking due to studs, salt and freeze-thaw cycles. Michigan could not afford this and nearly all northern states have since prohibited tire studs as a cost saving measure.

We frequently travel in Oregon, Washington, New Hampshire, Massachusetts, Connecticut, Vermont and Maine. The visible tire stud damage so evident in Anchorage does not exist there

Reduction in road maintenance costs, and lengthening of service life, will be a logical result of Representative Masek's bill because a reduction of mass of the rotating metal body will reduce the force of impact.

SAFETY

It has been established in controlled testing that hardened steel tire studs increase tire traction on hard ice. As ice softens, and in snow, traction from studs decreases rapidly, because the very small points simply plow through the softer material. I am willing to accept anecdotes to the effect that some collisions have been avoided due to greater traction from studs. However, reliable data do not exist because avoided collisions are not reported.

On the other side of the coin, studded tires can decrease safety. As any back country hiker knows, wet stone (the exposed road matrix) is very slippery, and wet asphalt pavement has high traction. The ruts caused by studded tires tend to fill up quickly with water, slush and then ice, increasing hydroplaning and skidding. Snow in the rut is left in place after plowing, defeating

snow removal. Finally, excessive confidence in technology is a well known phenomenon though it cannot be documented; some people do drive faster with studded tires, and they are less safe.

Technology of non-studded tires is constantly improving, and I find good all-season tires without studs safe and reliable. New rubber compounds provide greater adherence to irregularities in the snow and ice, and new patterns of sipe cutting in the tread provide greater traction.

POSSIBLE AMENDMENTS

If you will examine the current statute, you will find that the Commissioner of Transportation has authority to lengthen the period when studs are permitted. In recent years much road damage has occurred in Anchorage when significant snowfall did not occur until late October or early November. **I recommend that the Commissioner also have authority to shorten the permitted period for studs, by region of the state,** due to actual weather conditions.

I believe that **stud users should pay more for their biennial registrations, with a distinctive license tab, because they cause higher road maintenance costs.** Eventually this should be based on actual incremental costs. Initially, a 50% higher fee seems fair to me.

Thank you for your interest in efficiency and fairness in government.

THE STUDDED TIRE DILEMMA:

Are Light Weight Studs the Answer?

I. INTRODUCTION

The use of studded tires has been a controversial issue for the past two and one-half decades with claims and counter-claims being made by both the proponents and opponents of studded tire use. The proponents argue that studded tires are a necessity for safe winter driving while the opponents claim that the wear caused by studded tires poses a potential safety hazard to motorists. In 1974 the Federal Highway Administration (FHWA) issued a policy statement that concluded, "after review of all of the available studies, that the adverse effects on the safety of our highways outweigh any present and foreseeable future benefits and, therefore, warrants State and local agency consideration of efforts to ban or limit the use of studded tires." While this policy is still in effect today, we now have new tools available to mitigate the surface wearing characteristic of studded tires.

II. WHY SHOULD WE BE CONCERNED?

In recent years, highways, bridges, and pavement markings in the FHWA Region 10 States of Alaska, Idaho, Oregon, and Washington have been showing an alarming increase in surface wear caused by studded tires. The pavement surface wear is primarily in the form of rutting. Rutting of the roadway surfaces is manifested by two longitudinal grooves (ruts) worn into the pavement by the grinding away of the surface material by the studded tires. This form of rutting is occurring in both asphaltic and Portland Cement Concrete surfaces. Recent studies in the States of Oregon and Alaska have indicated that the annual cost to repair pavements damaged by studded tires is $42 million and $5 million respectively. The use of studded tires is also contributing to the premature wearing of the pavement markings used to guide traffic safely along the highways. This accelerated wear to the pavement surfaces and markings leads to extra maintenance costs and potential safety hazards.

Ruts as shallow as one-half inch can retain water. Water trapped in the rutted wheel paths can contribute to hydroplaning and the accompanying loss of vehicle control. Hydroplaning occurs when the tires actually lose contact with the roadway and are skimming along the surface of the water. The water in the ruts also greatly increases the splash and spray from vehicle tires; causing obscured driver vision. Drivers will usually attempt to keep their vehicles out of the water filled ruts by straddling

This paper was prepared by the Federal Highway Administration, Region 10, Office of Engineering and Operations, with the cooperation of and assistance from the Alaska Department of Transportation and Public Facilities, the Idaho Transportation Department, the Oregon Department of Transportation, and the Washington State Department of Transportation.

the ruts. This practice leads to erratic vehicle placement within the travel lanes and may substantially increase the risk of accidents and/or loss of vehicle control. This practice can also be observed on dry pavements as well. Motorists fight for control of their vehicles as they are pulled into the ruts and steer to get out of them. During freezing weather, snow plows cannot remove ice and snow accumulated in the rutted pavement creating an additional hazardous driving condition. The Washington State Department of Transportation (WSDOT), like other States, developed an asphalt surface course that increases the roadway friction characteristics and decreases the amount of splash and spray during wet conditions. WSDOT has discontinued the use of this surface course on roadways subjected to high traffic volumes that include a large percentage of studded tire use. This action was taken because of the adverse affect studded tires have on this surface treatment.

Not only do studded tires cause premature rutting of the roadway surfaces, they also obliterate transverse tining tooled into Portland Cement Concrete surfaces. Transverse tining is built into PCC pavement to increase surface friction, therefore, elimination of the transverse tining results in increased stopping distance. Studies have shown that the use of studded tires on bare, wet pavements increases stopping distance on PCC pavements and structures. Stopping distances increase because the studs lift the tire off the pavement.

One advantage cited by proponents to justify the pavement wear and maintenance costs resulting from studded tire damage is the safety of motorists traveling on icy roads. There is value in studded tires on glare ice, however, glare ice is not the only road condition the motoring public experience in a winter season. Tests have shown that vehicle maneuvering or turning on glare ice are significantly improved only when studs are used on all four wheels. Test data also shows that, although studded tires traveling on ice can reduce stopping distance, they are most efficient on ice at temperatures near freezing. This condition (air temperature near freezing with ice on the roadway) exists only a small portion of the year even in northern States. It has been shown that studs are no more effective in improving traction under loose snow conditions than radial tires. This occurs because the snow does not provide a hard surface for the studs to grip. While better traction is achieved using studded tires during glare ice conditions, research has shown that steel chains are even more effective. Some surveys have shown that drivers using studded tires often drive faster under adverse driving conditions because of overconfidence or a false sense of security provided by studded tires. This overconfidence or false sense of security can create a greater accident potential. It must also be remembered that, through-out the year, pavements are wet more often than they are icy and that the safety hazards associated with wet pavement are more frequent than those associated with icy roads.

While the adverse effects on highway safety and increased highway maintenance costs outweigh the benefits derived from the use of studded tires in some locales, a small portion of the population demand that studded tires be part of their winter driving arsenal.

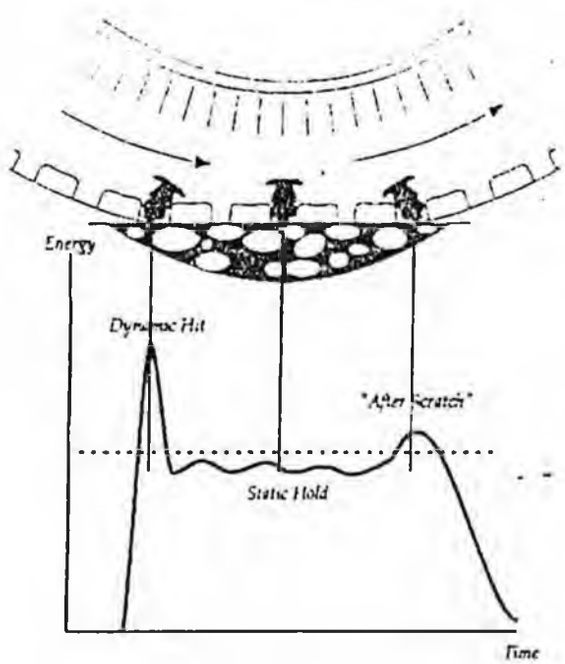
III. DYNAMICS OF STUD-RELATED ROAD WEAR

The rutting caused by studded tire wear should not be confused with the plastic deformation rutting generally caused by heavy commercial vehicles. Typically, the distance between the centers of the ruts caused by studded tire wear is 58 inches. This is the distance between the tires of an average passenger vehicle. This measurement is 6 inches narrower than a one-half ton pick-up truck and nearly 2 feet narrower than semi-trucks.

The majority of tire studs consist of two main parts; a carbide steel pin, and an outer sleeve (see figure below). The steel pin is usually made from tungsten steel. The outer sleeve can be made of several types materials such as steel, aluminum, aluminum oxide, or plastic. The weight of the stud is dependent on the outer sleeve material with steel being the heaviest and plastic being the lightest. In an attempt to make the outer sleeve more durable and lighter, other materials are being investigated such as ceramics with no pins. Regardless of the material the sleeve is made from, all studs with a tungsten steel pin have virtually the same stopping distance. Performance is gauged by different tire/stud combinations.

Dynamic forces are exerted on the road as the studded tire travels over the road surface (see figure below). As the tire and the stud move over the pavement there are measurable "spikes" of energy at the beginning of stud contact and at the end of the contact. Between the initial and final contacts, a static force (the weight of the vehicle) is applied through the stud. The initial energy exerted on the pavement is in the form of a punching force. This force breaks the pavement aggregate and picks out asphalt. As the stud begins to lose contact with the pavement surface, it exerts a scratching force on the pavement surface and picks out both asphalt and fine aggregate from the asphalt mixture. Vehicle speed (tire rotation) is also a factor in the pavement wear rate. As vehicle speed increases, so does the magnitude of these energy spikes. It is these forces that result in pavement wear and ultimately rutting of the pavement surface.

Kinetic Forces of Studs on Pavement



Research conducted in the Scandinavian countries of Sweden, Finland , and Norway has shown that the wear rate on pavements is directly related to the weight of the studs and the number of studs per tire. Each of these countries have passed laws limiting the weight of studs to 1.1 grams for passenger vehicles. By reducing the allowable stud weight to 1.1 grams, the Scandinavians have found that the pavement wear rate can be reduced by as much as 50 percent on their pavements.

IV. WHAT CAN BE DONE TO MITIGATE THE DAMAGE

There are alternative traction devices available to motorists. Reinforced steel tire chains are the most versatile traction device for the widest variety of winter driving conditions. Chains are as effective as studded tires on icy roads and outperform studded tires in loose snow. Unfortunately, chains are not as convenient as studded tires but motorists will take them off when they are no longer needed unlike some studded tire users. Studless snow tires are available from

several tire manufactures. These tires are described as high friction tires. One such tire is manufactured with a patented rubber compound placed on a conventional rubber all-season tire. The compound contains millions of microscopic pores that grip ice and snow. The tire also has an interlocking tread pattern which grip the snow and ice for better traction. Other studless snow tires are manufactured with different tread patterns, some with rubber compounds that are softer for improved traction, and some with different materials impregnated into the rubber to improve traction.

A significant impact that can be made to reduce the rate of wear to the pavement, structures, and pavement markings is to reduce the weight of the studs. Modern light weight studs perform equally well to standard weight studs. Scandinavian studies have shown that the use of lightweight studs can reduce pavement wear by as much as 50 percent. Lightweight studs have been defined as being ≤1.1 grams for 13 and 14 inch tires, ≤1.5 grams for 15 and 16 inch tires, and ≤2.7 grams for 17 inch and larger tires.

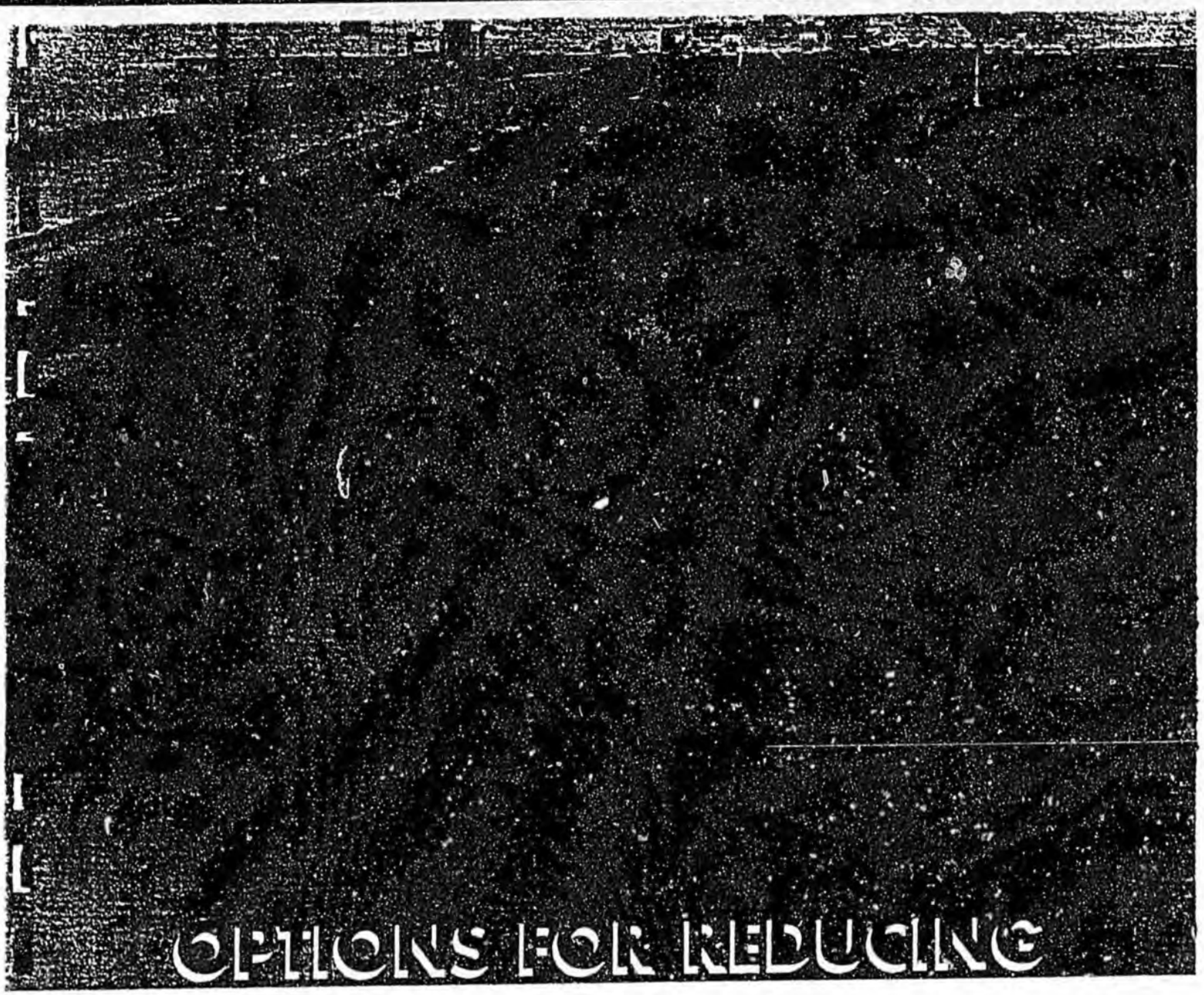
Many motorists mount studded tires on their vehicles as soon as it is legally permissible and won't take them off until they are legally required to, regardless of the roadway conditions. The most severe pavement wear occurs when the pavement is wet or bare (no snow or ice cover). Permissible use based upon actual need is a potential way to mitigate some of the annual damage caused by studded tires.

The Scandinavians have also found that studded tire wear can be decreased by the quality of the materials (aggregate) used to produce asphaltic concrete pavements. An asphalt mixture called Stone Mastic Asphalt (SMA) was developed to reduce the wear caused by studded tires. SMA is different than conventional asphalt mixtures in that it contains, among some other things, a higher percentage of better quality coarse (large) aggregate and does not contain as much fine (small) aggregate as does the conventional mixtures. SMA acts as an armor plating that resists studded tires wear. Scandinavian studies have shown studded tire wear can be reduced an additional 30% by using quality aggregates and SMA.

V. CONCLUSION

Research results and actual performance indicate conclusively that studded tires cause premature pavement distress in the form of pavement surface abrasion and/or rutting and obliterate pavement markings. These conditions are or can contribute to serious safety hazards under all roadway conditions (dry, wet snow-packed, and icy). Therefore, the Region 10 Offices of Federal Highway Administration urge that the continued use of studded tires be limited by stud weight, those considered "light weight". We also encourage the State Departments of Transportation to investigate the use of high quality aggregates in SMA's to further reduce pavement wear. While the limitation on stud weight will not totally eliminate the damage caused by studded tires, it will greatly reduce the damage.

This paper was prepared by the Federal Highway Administration, Region 10, Office of Engineering and Operations, with the cooperation of and assistance from the Alaska Department of Transportation and Public Facilities, the Idaho Transportation Department, the Oregon Department of Transportation, and the Washington State Department of Transportation.



OPTIONS FOR REDUCING STUD-RELATED PAVEMENT WEAR

SEPTEMBER 1996

prepared by
The Alaska Department of Transportation and Public Facilities

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16. Abstract

This report summarizes the findings of a literature search, previous Alaska Department of Transportation & Public Facilities (DOT&PF) research, and a fact finding trip to Norway, Finland and Sweden to meet Scandinavian researchers to learn how they minimize pavement wear due to studded tires. The report includes findings: (1) Research shows that lightweight studs (studs that weigh less than 1.1 grams) provide approximately the same stopping protection as older, heavier studs and last just as long; (2) Requiring the use of lightweight studs can reduce pavement wear by up to 50 percent; (3) The use of stone mastic asphalt concrete mix, which contains a high percentage (70%) of coarse aggregate, can reduce pavement wear by 25 to 50 percent; (4) Using harder durable aggregate in the pavement mix resisted studded tire wear much better than aggregates found in local material sources. The harder aggregate as measured by the "Nordic Ball Mill Tester" can reduce studded tire wear by a factor of three to five. The results of "Nordic Ball Mill" testing correlate much better with stud related pavement wear than do traditional aggregate quality tes s.

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EXECUTIVE SUMMARY

The purpose of this paper is to present specific information regarding the state's options for reducing stud-related road wear.

The Alaska Department of Transportation & Public Facilities has reviewed current technical and scientific materials, and reached the following conclusions:

- Alaska spends $5 million annually to repair stud-related pavement damage.
- The majority of "rutting" on high-volume roads is caused by studded tires on passenger vehicles rather than heavy trucks.
- Twenty percent of Alaskan pavement wear is caused by a small number of vehicles (3 to 6 percent) that continue to use studs during the summer. These vehicles are directly responsible for $1 million per year in pavement rehabilitation projects.
- Lightweight studs (≤1.1 grams) can reduce pavement wear by 50 percent, compared with conventional studs (≥1.9 grams).
- Remaining pavement wear can be reduced an additional 30 percent with wear-resistant Stone Mastic Asphalt (SMA) using high-quality aggregates.
- Lightweight studs and conventional studs offer virtually identical handling characteristics and stopping distances. Both lightweight and conventional studs use the same tungsten carbide pin for traction.
- There is no difference in retail cost between conventional and lightweight studs, and both stud types offer a service life of three to four winters.
- The mountainous terrain typical of Juneau and Anchorage provides a strong reason to continue allowing the use of studded tires.

ISSUE STATEMENT

Many drivers use studded tires as an aid to winter driving because studs are associated with improved traction and safety when pavement surfaces are icy or slippery. While a variety of Alaskan and international studies have demonstrated that traction on ice or snow can be improved with studs, an analysis of Alaskan winter driving conditions shows that primary roads are covered by snow or ice approximately 5 percent of the time. During the remaining 95 percent of the "studded tire season" pavements are bare and/or dry.

Drivers also feel that studded tires provide an increase in winter-driving mobility, and an associated decrease in travel times. However, these are matters of perception and convenience, rather than safety. In fact, by providing a feeling of heightened safety, studded tires may actually encourage dangerous driving behaviors. A Finnish study[1] placed video cameras in vehicles to monitor driver performance. The study found that drivers without studs drive more carefully than those with studs.

On the other hand, Alaska spends $5 million a year to repair ruts caused by studded tire use. State studies indicate that approximately 20 percent of the rutting and $1 million in annual road damage is caused by vehicles that continue to use studs throughout the summer. Approximately 3 to 6 percent of all Alaskan vehicles use studded tires during the summer.

Alaskan pavement wear rates average 0.13 inches per million studded-tire passes (approximately 22 tons of lost road materials per million passes). To put it another way: if 250,000 cars with conventional studs on all four tires pass over a single mile of road, the studs will tear up enough pavement to fill a large dump

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[1] "Effects of Studded and Unstudded Winter Tyres on Driver Behavior," Tapani Mäkinen, Technical Research Centre of Finland, findings summarized in FinnContact, published by Finnish Highway Transportation Technology Transfer Center, September 1995; Vol. 3, no. 3, p. 3.

STUDDED TIRE USE AND HIGHWAY SAFETY

Given the state's limited resources, administrators must concentrate expenditures on the highway projects that offer the highest yield in terms of public safety. At present, excessive funds are being used to repair stud-induced road wear, with the consequence that the state cannot afford other improvements throughout the highway system.

When studded tires were introduced, they were undoubtedly the most effective winter-driving aid. However, other innovations have dramatically increased winter driving safety, including:

- ABS (anti-lock braking systems),
- radial all-season tires,
- increased availability of all-wheel-drive vehicles, and
- increased availability of front-wheel (vs. rear-wheel-drive) vehicles.
- aggressive maintenance programs
- chemical de-icing
- siped tires
- blizzak tires
- early storm detection

Socioeconomic Costs of Studded Tire Use

On one side of the equation, studded tires provide the driving public with a valued safety measure and increased mobility. On the other hand, road damage results in ongoing state expense, an increase in airborne particulates, a decrease in the effective service life of traffic markings, and undesirable driving conditions.

Deep pavement ruts are among the most visible signs of road wear produced by studded tires. Pavement ruts can result in:

control, *not* lack of stopping ability. In other words, motorists were driving too fast for the road conditions.

Swedish studies have also determined that steering ability decreases, and the risk of violent skidding increases, when only tires on one axle are studded.[3] In Scandinavia, studs are required on all four wheels to enhance directional control.

[3] Study synopsis by Olle Nordström, Swedish Road and Transport Research Institute, September 1995.

Regulation vs. Banning

In 1995, Oregon passed a law promoting the use of lightweight studs (studs weighing less than 1.5 grams).

As of September 1995, all types of tire studs are banned in:

California	Louisiana	Wisconsin**
Florida	Minnesota**	
Hawaii	Mississippi	
Illinois	Texas	

**limited use by out-of-state motorists is permitted

There are no prohibitions or restrictions on the use of studded tires in:

Alabama	Nevada	South Dakota
Colorado	New Hampshire	Tennessee
Georgia	New Mexico	Vermont
Kentucky	North Carolina	Wyoming
Missouri	South Carolina	

In Alaska, the condition of road surfaces and the extremity of terrain are key factors in the decision to regulate or ban the use of studded tires. Because studs offer improved traction on ice, continued use of studs must receive serious consideration, especially in areas with mountainous terrain and high population density such as Juneau and Anchorage.

It has been demonstrated that banning studs and going to an all-season radial results in the polishing of highway ice, while studded tires roughen the surface and improve traction for all vehicles. Alaska does not use chemicals to implement its "clear pavement" policy, with the exception of limited use in Southeast Alaska. Instead we plow snow accumulations of 2 inches or more, and rely on traffic to cut through icy layers, thereby reducing the burden on the state's maintenance program. Roads are sanded as slippery conditions develop. If studded tires are prohibited without a complete change in maintenance activities, a significant increase in accidents can be anticipated.

DYNAMICS OF STUD-RELATED ROAD WEAR

Tires specifically designed for use with studs have softer rubber than all-season tires, and offer an average wear-life of 30,000 miles. Both lightweight and conventional studs are engineered to wear at approximately the same rate as the tire. However, all studs lose significant stopping capability after three or four winter driving seasons.

An article appearing in a 1994 Finnish publication also suggests that the choice of a stud brand is important to the length of the stud's service life.[6] After assessing grip during braking, changes in wear, and stud protrusion after 6,250 miles of driving, the authors concluded that even the worst *new* stud provides more benefit than a top-quality stud that's been *driven too long*.

There are five manufacturers of studs in the world: two in Finland, two in Germany and one in France. All tire studs consist of two main components: a tungsten carbide steel pin, and an outer sleeve. Differences in weight are determined by the material used in the outer sleeve. The current lightweight ($\leq$1.1 gram) stud designs that offer the best performance have sleeves made of either aluminum oxide or plastic.

The dynamics of stud action include three phases. As the tire and stud move over the pavement, there are measurable "spikes" in force at the beginning and end of contact. During these spikes, energy is transferred to the pavement in the form of scratching. Between these energy spikes, the studs have a "punching" action that breaks up aggregate and picks out asphalt. For more information, see the graphic on page 12.

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[6] See Attachment: "More Durable Than One Would Expect: Studs in a 50,000 km driving test," translated from an article in Tekniikan Maailma, August 31, 1994.

Scandinavian nations restrict the number of studs per tire, based on the tire diameter to maximize performance and minimize the energy being transferred to the pavement:

Tire Diameter (in inches)	Number of Studs Allowed
13	90
15	110
> 15	150

Speed As A Factor in Pavement Wear

Several studies in Scandinavia have concluded that pavement wear and abrasion increase exponentially with increasing speed. One study also compared the impact of lightweight versus conventional studs, within the context of driving speed. The conventional stud was passed over local aggregate pavement for 150,000 rotations at 60 kph (38 mph), and then again at 85 kph (53 mph); the increased speed generated *700 percent more pavement wear*. By comparison, the lightweight stud increased pavement wear by 44 percent under the same conditions.

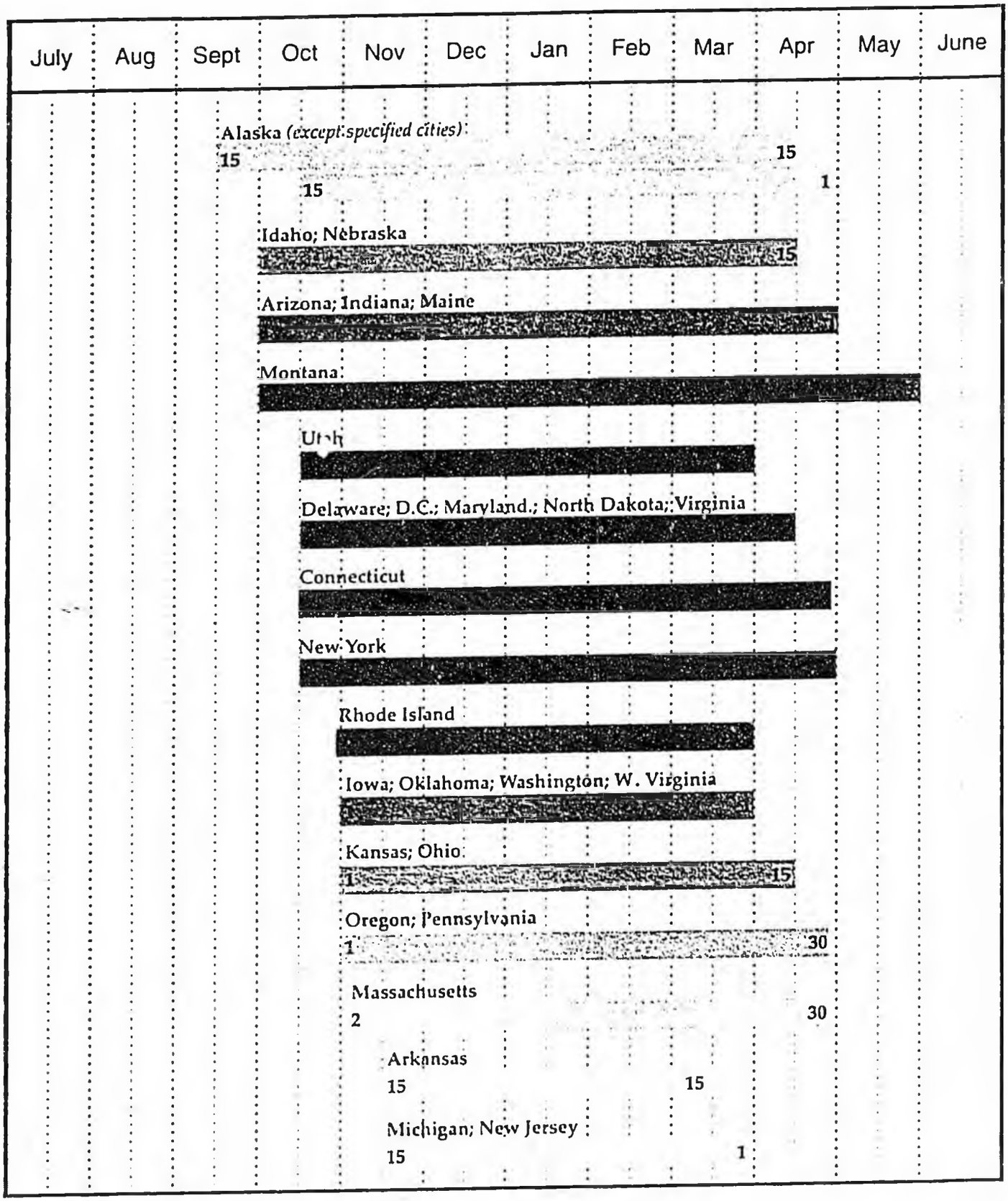
Stud Weight As A Factor in Pavement Wear

Pavement wear rates have a direct correlation to the weight of studs. On average, a conventional stud weighs 2.1 grams; aluminum-sleeved studs weigh 0.95 grams; a plastic-sleeved stud weighs 0.7 grams.[7] A 3 gram steel-sleeved stud is available for use on heavy trucks. The composition of housing from other materials is directly related to the quality.

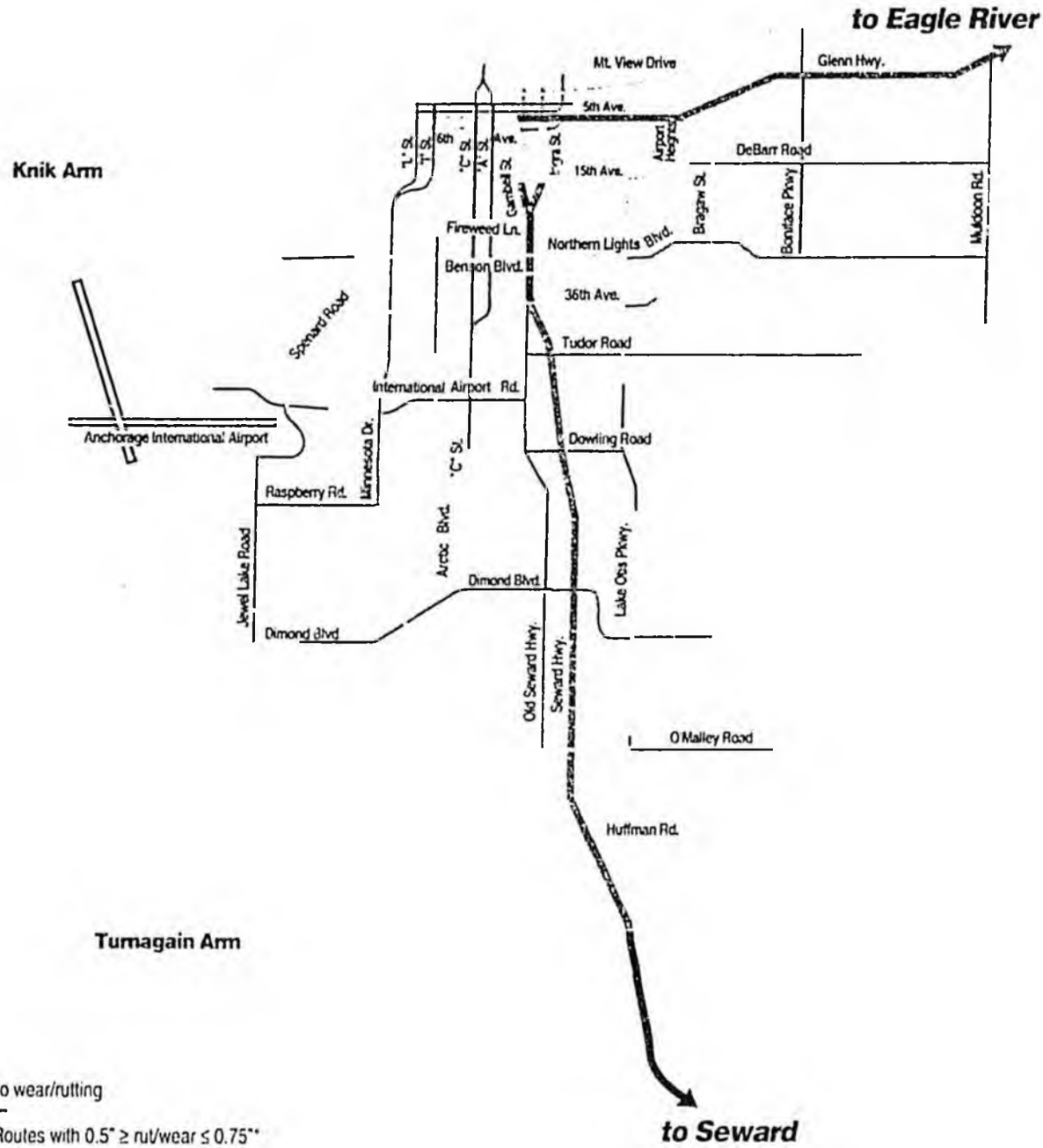
Contrary to popular belief, the vast majority of road damage is caused by passenger vehicles rather than truck traffic. The damage is caused primarily by the number of studs passing over the road surface; in Alaska, passenger vehicles with studded tires outnumber trucks by 20 to 1. As further evidence, the width

[7] Sweden is experimenting with a ceramic pin in hopes of further reducing stud weight.

Studded Tire Authorized Usage by State



Stud-Related Road Wear Patterns in Anchorage



Routes subject to wear/rutting

Programmed • Routes with 0.5" ≥ rut/wear ≤ 0.75"*

Rehabilitation req'd • Routes with rut/wear > 0.75"*

* Based on 1995 data

the area of high-grade aggregates, and is actively searching for deposits of high-quality aggregates that can be developed cost-effectively.

Some tests with SMA have been conducted in Alaska. Roads that have received SMA surfacing including portions of the Seward and Glenn highways, DeBarr and Muldoon roads, Minnesota Drive, Tudor Road, I and L Streets in Anchorage. The overall result has been a 45 percent improvement in the pavement wear rate, based on a standard wear rate of 0.13 inches per million studded tire passes on conventional pavement mixes.

DOT&PF ACTIVITIES

The DOT&PF has already taken some measures to reduce the road wear inflicted by studded tires. These efforts will be continued for the foreseeable future.

- In autumn of 1994 a statewide DOT&PF publicity campaign was launched to create awareness, and stimulate use, of lightweight stud alternatives. The program resulted in significant public demand for the lighter studs; available stocks were rapidly depleted. The following spring, another phase of the public education campaign encouraged drivers to remove their studded tires as soon as road conditions allowed.

- The Department will continue efforts to demonstrate the benefits of lightweight studs to all major tire retailers statewide. There is still some resistance to overcome at the retail level.

- The Department purchased two Nordic Ball Mill Testers in October, 1995, and is actively searching for concentrations of high-quality aggregates in Alaska.

- The Department will continue its ongoing research on aggregates, mix designs, pavement management systems, and new test procedures.

- The Department will continue to road-test SMAs for cost-effectiveness.

- The Department will deliver presentations to appropriate audiences and organizations, regarding the benefits of lightweight studs and SMAs.

- The Department has received $75,000 from the Federal Highway Administration to construct test sections using high quality aggregates to resist studded tire wear.

CONCLUSION

At present, SMA wear-resistant surfaces are still being tested in Alaska, and accessible sources of top-quality aggregate are still being sought.

However, the pavement wear problem in Alaska can be brought under control relatively quickly, through some simple and cost-effective measures. At present, Alaska spends $5 million annually to repair the damage caused by conventional studded tires. By implementing the following measures, that cost can be substantially reduced.

Current Annual Cost	**$5.0 million**
Potential savings through enforced ban on summer stud use	- 1.0 million
Potential savings through mandated use of lightweight studs	- 2.0 million
Revised Annual Cost	**$2.0 million**
(given 3-5 years for conventional studs to be wear out and be replaced)	

To achieve these cost savings, the driving public, tire retailers, law enforcement agencies, the DOT&PF, and the Alaska Legislature must work in partnership.

- The public needs to become more aware of the problem of stud-related road wear, and adopt a proactive role in prevention of road damage through the purchase of lightweight studs or specialized winter-traction tires. This can be accomplished, in part, through education efforts and public information activities conducted by the DOT&PF. Because there is no cost differential for consumers between lightweight and conventional studs, this imposes no financial burden on motorists.

- Tire retailers need to begin working cooperatively with the DOT&PF to promote the use of lightweight studs. To achieve this, the Department will need to work closely with retailers to prove the benefits (and comparable wear-resistance) of lightweight studs. Because some retailers cite unavailability of lightweight studs as a problem, the Department

ATTACHMENT

"MORE DURABLE THAN ONE WOULD EXPECT:
Studs in a 50,000 km driving test"

(Translation of an article published in Tekniikan Maailma, Finland, August 1994)

MORE DURABLE THAN ONE WOULD EXPECT

Studs in a 50,000 km driving test

Take eight Nokia Hakkapeliitta 10 winter tires. Fit them with different brands of studs. Then drive 50,000 kilometers with the tires. Measure the protrusion of the studs and perform a braking test every ten thousand kilometers. Finally, remove the studs from the tires to study how they have worn. We did all this and now we know even more. For example; we know that there is no reason to spoil good winter tires with inferior studs.

The studs that were tested:

* **Kometa P8-11**
* **Miba 8-11**
* **Nesspike 7-11**
* **Nesspike WIP**
* **Scason 8-11**
* **Tikka 8-11**
* **Turvanasta L42**

Anti-skid studs for winter tires are a Finnish invention. There is nothing amazing about that. In Finland we drive in slippery weather more than perhaps anywhere else in the world.

In principle, the structure of a stud is quite simple. But in practice, a lot of work has been done to make the stud function as it does today.

A stud is made of two parts, the body of the stud and a hardened metal spike inside the body. The Turvanasta, previously known as a sleeve stud, also has a third part, a plastic sleeve that allows the spike to move back and forth inside the stud body.

The stud body may be made from steel or light-alloy metal. The hardened steel spike is usually made from tungsten silicon carbide mixed with other materials. These materials are trade secrets that the manufacturers do not readily disclose.

Studs improve the grip of winter tires. Even so, not everyone approves of them. Studs are resisted because of the assumption that they tempt drivers to drive "too" fast, lowering traffic safety.

It is hard to believe this theory, because research has indicated that safety improves when friction between the tires and the road increases. That is exactly why roads are sanded and salted.

What difference does it make if friction is increased with the help of road maintenance or with studs?

In any case, Finnish drivers have drawn their own conclusions about the matter. Over 95 percent of Finnish drivers use studs in the winter.

Grip during braking

Grip was analyzed with braking tests in which only one wheel locked. During the test only one front brake was functioning and the brakes of the other wheels were disconnected with special shut-off valves.

In a single wheel braking test the test car is steerable during braking, and the driver can steer the car to make sure that braking always happens on unused ice. In this way braking conditions were always the same.

Each tire was braked 20 times on unused ice. The braking distance was measured with a Peiseler unit that measured the actual distance traveled during braking with a sensor mounted on a freely turning rear wheel. The final braking distance was calculated as an average of all the measured distances and the result was statistically checked.

Changes in conditions during the tests were monitored with a reference tire. The braking distance of the reference tire was measured after every two test tires in order to correct for changes in weather conditions.

The braking tests were done in Ivalo, on the ice of Rahajärvi lake, where a test track 1.6 kilometers long and 40 meters wide had been prepared. The surface was levelled with a road grader and swept just before the tests. After sweeping, the surface was finished with a FICO ice conditioning machine that smoothed the ice before each round of tests.

The results indicated that the Nesspike, Scason, Turvanasta and Tikka studs suffered a noticeable loss of grip between the 10,000 and 20,000 kilometer tests.

Kometa functioned extremely well up to the 40,000 kilometer test. After that it lost its grip faster than the other studs.

Turvanasta and Kometa had the best grip at the beginning of the test. However, Turvanasta's results dropped to average after 20,000 kilometers.

Miba was the worst stud at the beginning of the test, but it improved near the end of the test and was the best in the end.

Nesspike WIP had the poorest results in nearly all the braking grip measurements.

The most notable observation was that after somewhat over 10,000 kilometers, the grip of the best stud was no longer as good as the grip of the worst stud when new.

Changes and wear in stud protrusion

The protrusion of all the studs decreased during the wear test. Nesspike's protrusion changed the most. Nesspike's average protrusion was only 0.29 millimeters at the end of the test.

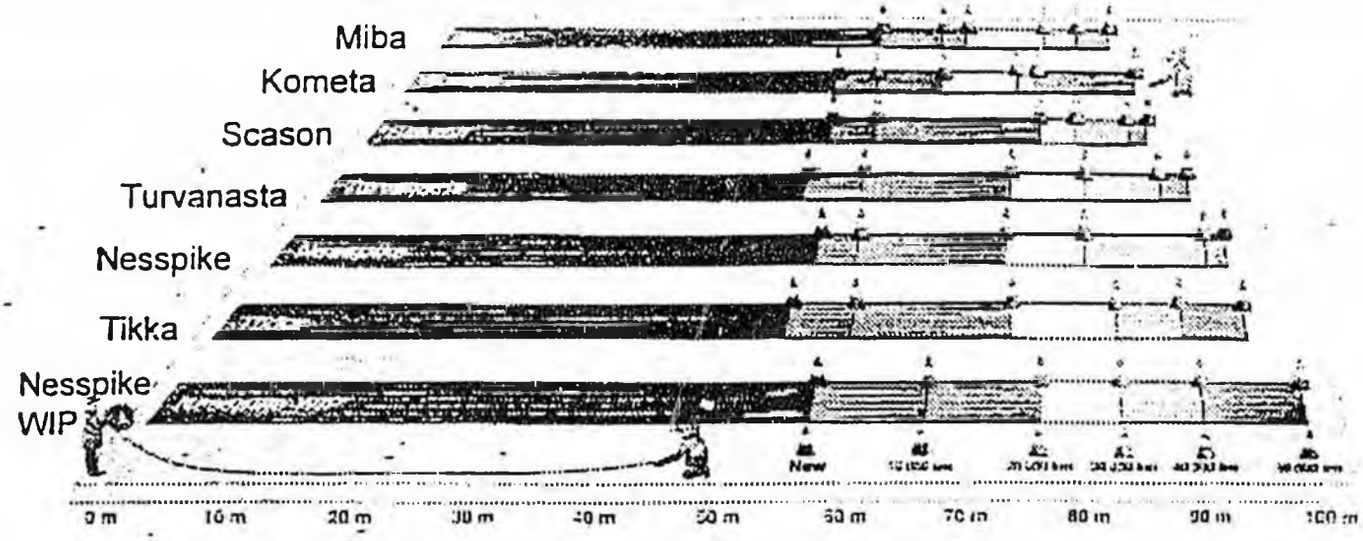
Kometa's protrusion remained nearly unchanged throughout the whole test.

The average protrusion of the studs on all the tires at the end of the test was 0.60 millimeters, which is a relatively low value.

Stud protrusions in normal traffic are usually over one millimeter. The difference was due to the fact that driving during the test was more even compared to normal driving, which includes more acclerating, braking and curves per driven kilometer.

The protrusion of all the studs decreased during the first 20,000 kilometers - quite a lot in some cases - and then evened off at a certain level that no longer changed for most of the studs.

Stud wear cannot be decided based on changes in protrusion. Therefore, at the end of the test we removed 24 studs from each tire. We measured their length and compared the results to the original 11 millimeter studs.



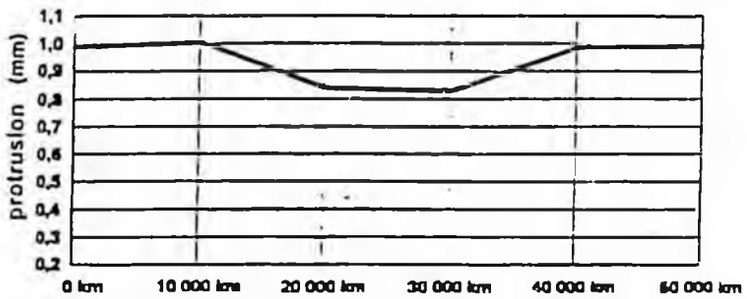
Braking distances were measured the first time with new tires and then after every 10,000 kilometers of driving. The measurements were made with one wheel locked up, from 20 km/h to 5 km/h. The results were converted to values that correspond to four-wheel braking from 50 km/h to 0 km/h, based on verification measurements. Each braking transaction was performed on smooth ice that was treated with an ice conditioning machine.

FINAL EVALUATION

Kometa 8-11
Wear: 1.4 mm

Manufacturer: Tikka-Nasta Oy, Tikkakoski
Length: 11 mm
Weight: 1.02 g
Body: pressed composite light metal alloy
* * * *

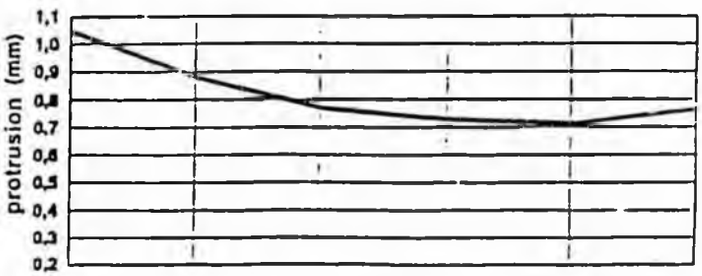
Kometa was the best stopper of the group, up to 40,000 kilometers. It clearly also wore the least. The hardened steel spike was visible a suitable amount at the end of the test. Its protrusion was almost unchanged throughout the test. This was the most reliable and recommendable stud in this test.



Miba 8-11
Wear: 2.1 mm

Manufacturer: Eurovulk Oy, Tammisaari
Length: 11 mm
Weight: 1.10 g
Body: pressed aluminum alloy
* * *

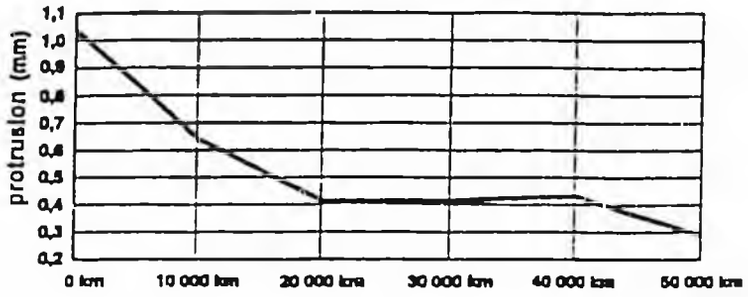
Miba's grip was below average at the beginning of the test. The more it was driven, the better it became, though, and at the end of the test it produced the best results in the braking tests. It wore second to the least and its hardened steel spike was clearly visible at the end of the test. Miba retained its protrusion reasonably well.



Nesspike 7-11
Wear: 3.0 mm

Manufacturer: Turvanasta Oy, Turku
Length: 11 mm
Weight: 1.35 g
Body: turned steel
*

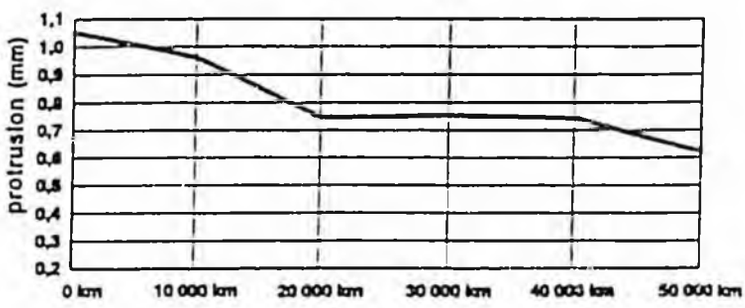
Nesspike wore more than any other stud in the test. It also lost its protrusion the most and its hardened steel spike wore to the level of the stud body. It performed better than its sister model in the braking tests, which could mean that it stays upright in the tire better.



Tikka 8-11
Wear: 2.5 mm

Manufacturer: Tikka-Nastat Oy, Tikkakoski
Length: 11 mm
Weight: 1.80 g
Body: drawn steel
*

Tikka was included in the test for comparison. It belongs to the previous generation of heavier studs, and cannot be used in new tires. Tikka's performance was only average in all evaluated characteristics. The result was good, because it indicates that studs have not been weakened by the new regulations.



Steel tire studs face ban under proposed law

By ROBERT KOWALSKI
Daily News Juneau Bureau

JUNEAU — Snow tires fitted with the kind of steel-shanked studs that are common on cars and trucks in Alaska would be illegal to sell in the state starting in summer 2000 under a bill that the Legislature is considering.

To reduce the rutting that studded tires cause on roads, the proposed law would prohibit tire distributors from selling or fitting tires with studs that weigh more than 1.3 grams each. Conventional all-steel studs for car tires weigh 1.9 grams.

The state Department of Transportation has estimated the move to lighter-weight studs, which are made with aluminum or plastic casings, could prevent about $2 million of the $5 million in damage that studded snow tires cause to the states roads annually.

The state Department of Transportation has estimated lighter-weight studs could prevent about $2 million in road damage annually.

"By reducing the weight of the studs, we can reduce the energy" they exert in grinding up roads and highways in the state, transportation department spokesman Dennis Poshard said Thursday during a legislative hearing on the proposal.

The House Transportation Committee approved the measure Thursday and it faces action by at least two more committees before reaching the full House.

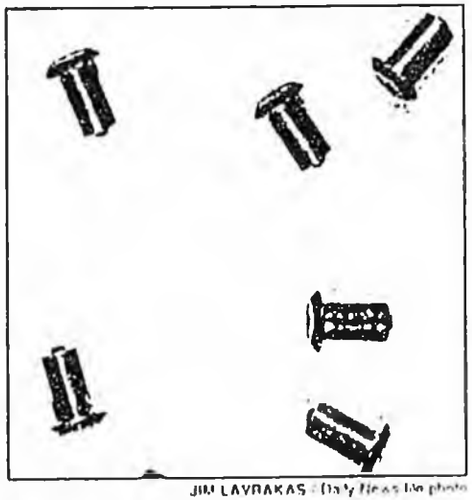
"The department doesn't necessarily see a downside" to making the lighter studs, Poshard told the committee.

But some Alaska tire distributors do. They claim the light studs wear down more quickly and that customers often take in such tires so they can be re-fitted with steel studs.

"Most of our customers don't want them," said Mark McMahan, general manager of American Tire in Anchorage. "We saw the carbide tips just smash right down into the casing of the stud."

"It's a joke," said Dan Tesar, a salesman at Tire Distribution Systems in Fairbanks. He said that because all studs have a tungsten carbide tip that contacts the road, the weight of the vehicle is a more important factor in pavement wear.

Please see Back Page, STUDS



JIM LAVRAKAS / Daily News file photo

Under a proposed law, studded snow tires would have to be fitted with aluminum studs like these. The law aims to reduce road wear caused by standard steel-shanked studs.

Anchorage Daily News 19 May 1999 pA-1

STUDS: Proposed law aims to phase out steel in effort to reduce road damage

Continued from Page A-1

He opposes the bill limiting stud weight.

"That's a bunch of politicians that don't know ... about tires," Tesar said. "The whole thing is just such a snowball deal."

The plan to ban the heavier studs came from the Alaska Professional Design Council, a consortium of architects and designers who asked Rep. Beverly Masek, R-Willow, to sponsor the legislation.

The council is concerned about road wear and hazards caused by studded tires.

The ban proposal also comes after the state transportation department completed a study in 1996 that found passenger cars with studded tires, not trucks, were causing most of the rutting on state roads.

The report concluded half the wear from studded tires on Alaska roads could be eliminated by switching to lighter studs. It recommended limiting car tires to studs weighing no more than 1.1 grams.

By banning studs heavier than 1.3 grams, the bill before the Legislature is intended to cover tires for passenger cars and larger sport utility vehicles.

The ban wouldn't apply to steel-studded tires already in use on cars, or to new tires for commercial vehicles. The measure says: "A shop may not sell or offer for sale a new studded tire, or install studs in a new or used tire for a customer, unless each stud weighs not more than 1.3 grams."

"I'm certainly going to drive mine until I can't drive them any longer," said Rep. Bill Hudson, a Juneau Republican, who uses steel-studded tires. He nonetheless supports the bill mandating use of lighter studs.

James M. Johnson, president of Johnson's Tire Service in Anchorage, told lawmakers Thursday he began selling the lighter-weight studs on snow tires in 1991, and is the only tire distributor in the state that does.

He said the lighter studs are about all his customers want now.

Johnson said light-weight studs cost about $1 more per tire, but said he doesn't pass the cost onto his customers. An average car tire has about 100 metal studs.

The lighter studs offer the same handling characteristics on icy roads as their steel-sleeved counterparts, and wear just as long, Johnson said during a House Transportation Committee hearing.

"It's the right thing to do," said Johnson, who calls the lighter studs "environmentally friendly."

One of Johnson's tire sales competitors, Tesar, scoffed at that description.

"There is no such thing as an environmentally safe stud," Tesar said. "If they don't want to have studs, they should do away with them."

Oregon is the only state with a law that mandates use of lighter weight studs, said Gary Wessel, whose company, Bruno Wessel Inc., sells tire studs nationally and in Alaska. Some states, including Illinois, ban studded tires altogether. Wisconsin and Minnesota ban studs for residents but allow them on the vehicles of travelers from other states.

The Alaska Legislature considered outlawing heavy studs in 1997 but the measure died in a Senate committee.

The state DOT study also concluded road wear could be reduced through paving with more-durable materials. Poshard said the department is doing that on some Anchorage roads.

Masek, chairwoman of the transportation committee, said she purchased tires with light-weight studs two winters ago and has used them during commutes from her Mat-Su home and Anchorage.

"I haven't seen any difference," she said. "The light-weight handles just as well."

Reporter Robert Kowalski can be reached at rkowalski@adn.com.

HB 128

HOUSE COMMITTEE REPORT

(7)

Date Referred to Committee: March 5, 1999

FURTHER REFERRALS:

Date of Committee Action: 15 Mar 1999

The LABOR AND COMMERCE Committee considered: HB 128

HOUSE BILL NO. 128

LEASE-PURCHASE OF PERSONAL PROPERTY

"An Act relating to lease-purchases of personal property."

recommends it be replaced with the following committee substitute _____

[ ] the same title
[ ] a new title

[ ] additional referral to _____ Committee
[ ] attached amendment(s)

ADOPTS: _____ Letter of Intent

ATTACHES NEW FISCAL NOTE(s): (Dept)

[ ] fiscal note(s) _____

_____

[√] zero fiscal note(s) Law, Court

_____

APPROVES PREVIOUS: (Dept/Date)

[ ] fiscal note(s) _____

_____

[ ] zero fiscal note(s) _____

_____

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
Rokeby	✓			
	✓			
Harris	✓			
	✓			
	✓			
	✓			
			✓	

CHAIR'S SIGNATURE Rokeby 3-15-99

FISCAL NOTE

STATE OF ALASKA
1999 LEGISLATIVE SESSION

BILL NO. HB 128

Revision Date		Dept. Affected	Alaska Court System
Title	Lease-Purchases Act	BRU	Alaska Court System
		Component	Trial Courts
Sponsor	Rep. Murkowski		
Requester	House Labor and Commerce	Component Serial No.	769

Expenditures/Revenues *(Thousands of Dollars)*

OPERATING EXPENDITURES	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
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 EXPENDITURES						
CHANGE IN REVENUES ( )						

FUND SOURCE *(Thousands of Dollars)*

1002 Federal Receipts						
1003 GF Match						
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY99) cost: *None*

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: *(Attach a separate page if necessary)*

No fiscal impact anticipated.

Prepared by:	Doug Wooliver, Administrative Attorney	Phone:	264-8265
Agency	Alaska Court System	Date/Time:	3/10/99 9:09 AM
Approved by:	Stephanie J. Cole, Administrative Director by	Date	3/10/99
Agency	Alaska Court System		

(Rev 1/99)

FISCAL NOTE

STATE OF ALASKA
1999 LEGISLATIVE SESSION

BILL NO. HB 128

Revision Date/Time (Note if correction) | Dept. Affected: Law
Title: "An Act relating to lease-purchases of personal property." | BRU: Civil Division | Component: Fair Business Practices
Sponsor: Representative Murkowski
Requester: House Labor and Commerce | Component Serial No.: 2206

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
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 EXPENDITURES						
CHANGE IN REVENUES ( )						

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY99) cost:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: *(Attach a separate page if necessary)*

HB 128, to be known as the "Lease-Purchases Act," adds a new chapter to Title 45, Trade and Commerce, setting out rules governing lease-purchase agreements, and the rights of the consumer and the lessor.

This bill does not require government oversight, instead contemplating a private right of action. HB 128 will have no fiscal impact on the Department of Law.

Prepared by: Joan M. Kasson | Phone: 465-5370
Division: Attorney General's Office | Date/Time: 3/10/99, 10:06 AM
Approved by Commissioner: Bruce M. Botelho, Attorney General | Date: 3/10/99
Agency: Department of Law

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REPRESENTATIVE LISA MURKOWSKI
Government Hill • Elmendorf • East Anchorage

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LEASE PURCHASES OF PERSONAL PROPERTY SPONSOR'S STATEMENT

Lease-purchases or rental-purchases is one of the fastest growing customer service industries today, with over 8,000 stores in all fifty states. Most of the stores are owned and operated by small businessmen and women. Rental-purchase contracts and required disclosures may vary greatly from one business to the next. In order to ensure an earnest and level playing field for the consumer and small businessman alike, I have introduced House Bill 128.

The rental-purchase industry leases durable household merchandise – such as furniture, major appliances and electronic goods -- on a short-term basis (i.e. four months or less) and offers ownership options for consumers. A rental-purchase agreement typically begins with a customer leasing merchandise for a week or a month and making an advance rental payment. At the end of the initial rental period, customers have several options: they can, 1) renew the agreement by making another advance rental payment; 2) terminate the agreement and arrange for return of the merchandise to the store; or 3) exercise an early purchase option.

Forty-four states have laws that comprehensively regulate rental-purchase as a unique transaction independent from retail installment sales. In 1991, the Council of State Governments published the Virginia Lease Purchase Act in its volume of Suggested State Legislation. These comprehensive consumer protection laws typically include provisions requiring full disclosure to the consumer of contractual terms such as the number and total payments necessary to acquire ownership, the cash price of the merchandise and reinstatement rights for lapsed agreements.

Rental-purchase is a growing industry in Alaska. As such, Alaskan consumers of this industry deserve up front, complete disclosure of all payment and purchase options involved with a lease-purchase transaction. So that all parties are on an even playing field I ask for your support of House Bill 128.

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

130 Seward Street, Suite 409
Juneau, Alaska 99801-2105

MEMORANDUM March 10, 1999

SUBJECT: Sectional Summary of HB 128 (Work Order No. 21-LS0337\G)

TO: Representative Lisa Murkowski

FROM: Theresa Bannister
Legislative Counsel

You have requested a sectional summary of the above-described bill.

As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents.

Section 1. Gives a short title for the bill.

Section 2. Establishes a new chapter regulating lease-purchases of personal property.

Sec. 45.35.010(a) requires lessors in lease-purchase agreements to make clear and conspicuous written disclosures in the agreement. Lists the items that must be disclosed.

Sec. 45.35.010(b) requires that the disclosures (required by (a)) appear on the face of the agreement and above the consumer's signature. Requires the lessor to give the consumer a copy of the signed agreement.

Sec. 45.35.010(c). Provides that if a disclosure subsequently becomes inaccurate under certain conditions, the inaccuracy does not violate the chapter.

Sec. 45.35.010(d). Provides that a lessor's compliance with the disclosure requirements of the Consumer Credit Protection Act constitutes compliance with the disclosure requirements of this chapter.

Sec. 45.35.020. Lists the provisions that a lease-purchase agreement may not contain.

Sec. 45.35.030(a). Allows a consumer to reinstate a lease-purchase agreement within a certain time after it has been terminated by the lessor for failure to make a payment on time. To reinstate, the consumer must pay the items identified under (b).

Sec. 45.35.030(b). Lists the items that must be paid by the consumer to reinstate an agreement under (a).

Sec. 45.35.030(c). Prevents a consumer who reinstates an agreement under (a) from losing the rights or options the consumer had before the default in payment.

Sec. 45.35.030(d). Establishes how long a consumer has to reinstate an agreement under the situation covered by this subsection. The time allowed by this subsection applies to the consumer who has made less than two-thirds of the total amount of payments necessary to acquire ownership of the property and has returned or voluntarily surrendered the property back to the lessor before the end of the grace period (but not if the return or surrender resulted from a court action).

Sec. 45.35.030(e). Establishes how long a consumer has to reinstate an agreement under the situation covered by the subsection. The time allowed by this subsection applies to the consumer who has made two-thirds or more of the total amount of payments necessary to acquire ownership of the property and has returned or voluntarily surrendered the property back to the lessor before the end of the grace period (but not if the return or surrender resulted from a court action).

Sec. 45.35.030(f). Allows a lessor to repossess property during the period when the agreement can be reinstated. Provides that repossession does not affect the right to reinstate the agreement. Provides that if the lessor does reinstate the agreement, the lessor must provide the consumer with the same or comparable property.

Sec. 45.35.030(g). Defines "grace period" and "renewal date" for the section.

Sec. 45.35.040(a). Requires the lessor to make the same disclosures required by sec. 45.35.010 for a new lease-purchase agreement with the same consumer. Identifies what is considered a new lease-purchase agreement.

Sec. 45.35.040(b). States that the lessor is not required to make the sec. 45.35.010 disclosures when the parties merely extend the length of the lease-purchase agreement.

Sec. 45.35.050(a). Requires certain advertisements for lease-purchase agreements to clearly and conspicuously state certain listed items, if they are applicable.

Sec. 45.35.050(b). States that the owner and the employees of a communications medium in which an ad under (a) appears or is disseminated is not liable for a failure of the lessor to comply with (a).

Sec. 45.35.050(c). Excludes ads in the yellow pages of a telephone directory or similar business directory from the requirements of (a).

Sec. 45.35.060. Requires a lessor, on request, to give the consumer a written receipt for each cash or money order payment.

Sec. 45.35.070. States which law governs when a provision of this chapter conflicts with certain other statutes.

Sec. 45.35.090. Defines certain terms for the chapter.

Section 3. Makes violations of the new chapter on lease-purchase agreements unlawful acts under the state's Unfair Trade Practices and Consumer Protection Act, and, as a result, pulls in the remedies provided by that act.

Section 4. States that only lease-purchase agreements entered into on or after the date this Act becomes effective are subject to this Act.

If I may be of further assistance, please advise.

TLB:jdr
99-103.jdr

RENTAL-PURCHASE

WHAT IS RENTAL PURCHASE?

Rental-purchase is one of the fastest growing customer service industries, with over 8,000 stores in all fifty states. Most of the stores are owned and operated by small businessmen and women. Larger companies, like Rent-A-Center and Renters Choice, make up the balance of the industry.

The industry leases durable household merchandise --such as furniture, major appliances and electronic goods-- on a short-term basis and offers ownership options for consumers. Stores are located in major cities, small towns and rural communities.

The rental-purchase industry generates annual sales of $3.5 billion and purchases nearly 10% of all major appliances manufactured and sold at wholesale in the United States.

In addition to immediate use and enjoyment of the merchandise, customers receive full service on the items while they are being rented. "Full service" means that there is never any charge for labor or parts under a rental-purchase agreement. Additionally, if an item cannot be repaired in the customer's home, a replacement is provided until the original is repaired.

Over 80% of the industry's business consists of the leasing of home appliances, such as washers, dryers and refrigerators, as well as television sets, stereos and furniture. Other products leased by the industry include heaters, personal computers, air conditioners and video cassette recorders.

A rental-purchase agreement typically begins with a customer leasing merchandise for a week or a month and making an advance rental payment. At the end of that initial rental period, customers have several options: they can 1) renew the agreement by making another advance rental payment; 2) terminate the agreement and arrange for return of the merchandise to the store; or 3) exercise an early purchase option.

There is no further obligation whatsoever and never any obligation to continue a rental-purchase contract. And, there is never a penalty for terminating a rental-purchase agreement. This flexibility has made rental-purchase an attractive choice for more than 23 million cash- and credit-constrained American households.

If a customer chooses to renew the contract for a prescribed number of times (disclosed up front), the customer automatically becomes the owner of the merchandise.

Rental-purchase merchants do not require a security deposit or a down payment and do not require a favorable credit history. Most merchants do not even perform credit checks. Often hundreds, and sometimes thousands, of dollars worth of merchandise is delivered to a customer's home with a single rent payment of only $15 to $20.

Fewer than 25% of rental-purchase customers, on average, choose to rent long enough to acquire ownership. The average length of rental agreements terminated by consumers is just over 100 days, with nearly 40% ending within 70 days.

Used merchandise is cleaned, refurbished and re-rented at reduced rates or for reduced terms, or both. Each item is rented an average of 2 1/2 times during its "rental life."

Forty-four states have laws which comprehensively regulate rental-purchase as a unique transaction and independent from credit sales. In 1991, the Council of State Governments published the Virginia Lease Purchase Act in its volume of *Suggested State Legislation.*

These comprehensive consumer protection laws typically include provisions requiring full disclosure to the consumer of contractual terms such as the number and total amount of payments necessary to acquire ownership, the cash price of the merchandise and reinstatement rights for lapsed agreements.

There is no federal law specifically regulating the rental-purchase transaction.

The rental-purchase industry supports reasonable and balanced regulation of its business practices.

COMMON QUESTIONS ABOUT RENTAL-PURCHASE

What do rental-purchase stores charge? And, why?
The cost of acquiring merchandise through the rental-purchase option involves more than just the property itself. Because items are rented 2 1/2 times, on average, we have higher costs and unique costs not incurred by a retail merchant. Our prices reflect the initial cost of the merchandise, maintenance, delivery, cleaning and repair, losses due to theft, inventory maintenance, labor, store rent and marketing.

Weekly and monthly rental rates are extremely competitive. The total amounts necessary to acquire ownership of the rented merchandise (if the consumer elects to renew the agreement through to ownership) range from 2 1/2 to 4 times what the merchant spent to acquire the item (i.e. manufacturers' wholesale price).

For example, if an item costs the merchant $100 at wholesale, the total rental purchase price typically ranges between $250 to $400. By comparison, retail merchants offer this kind of household merchandise at cash prices ranging from 1 1/4 to 3 times wholesale cost or $125 to $300.

In addition to the purchase price, retail merchants typically add delivery charges and charge for extended service or warranty agreements. If the item is purchased on credit, there is also the finance charge, which can be as high as 21%. All of these "extras" combine to increase the cost of comparable merchandise acquired in consumer credit sales to between 2 and 4 times wholesale cost.

How do rental-purchase costs compare with other industries renting consumer goods?
Rental-purchase merchants, automobile rental companies, formal wear stores, party rental stores and video rental stores all charge more for the use of goods than the customers would pay if they chose another option - like retail. They all charge more because they have higher operational costs for maintaining inventory, default, depreciation, product abuse, replacement and repair.

How many customers actually acquire ownership?
Fewer than 25% of rental-purchase customers, on average, choose to rent long enough to acquire ownership. The remaining 75% of all transactions are terminated by the consumer. Of that 75%, 5% are losses due to rental property theft.

The average length of rental agreements terminated by consumers is just over 100 days, with nearly 40% ending within 70 days.

Given the higher costs, why do your customers choose the rental-purchase option?
Our customers know that rental-purchase is more expensive than other options. They make decisions based on their unique circumstances. When asked this question, here is how over 600 current and former customers responded in a recent major survey of the rental-purchase transaction:

56.8% said they were short of cash.
52.3% wanted the item immediately.
45.4% wanted low, affordable payments.
44% lacked sufficient credit to purchase the merchandise from a retail store.
33.6% preferred the "free replacement" policy for merchandise needing repair.
27.5% liked the access to the "latest" merchandise.
26.9% said the quality was better than retail.

Note: The above total exceeds 100% because customers offered multiple reasons for choosing rental-purchase.

Isn't rental-purchase used only by consumers receiving public assistance?
No. The following is a profile of rental-purchase customers:

69% Receive no public assistance
14.4% Receive food stamps
11.9% Receive disability benefits
9.2% Receive Aid to Families with Dependent Children benefits
6.1% Receive Women, Infants and Children Program benefits
5.2% Receive public housing assistance
4.1% Receive unemployment benefits

CUSTOMER PROFILE
Rental-purchase customers are demographically diverse. Stores are located in all 50 states and thrive in urban, suburban and rural settings. Customers are represented by all economic and educational backgrounds.

Sixty-one percent of rental-purchase customers are homeowners; 38 percent are married with children. Customers include students, temporarily assigned business executives, military personnel and in-transit individuals and families.

Sixty-one percent of customers have an annual household income of more than $24,000. All customers have immediate needs, and either don't want or can't accept long-term obligations; some customers have no access to credit arrangements.

The following are statistics provided by America's Research Group, August 1994, based upon an industry-wide marketing survey. The statistics describe the customer base for the rental purchase transaction.

Age

Under 25	10.14%
25-34	25.09%
35-44	25.83%
45-54	16.07%
55-64	9.102%
65 and over	13.84%

Household income

- Under $6,000.....2.2%
- $6,000-$14,999..... 10.0%
- $15,000-$23,999..... 25.2%
- $24,000-$35,999..... 20.8%
- $36,000-$49,999..... 18.9%
- $50,000-$74,999..... 18.1%
- $75,000 and up..... 3.7%

Ethnic Background

- Caucasian..... 74.78%
- African-American..... 21.88%
- Hispanic..... 2.47%
- Asian/Oriental..... 0.49%

Education

- High school graduate.....45.12%
- Some college.....28.18%
- College graduate.....18.05%
- Graduate school.....2.22%
- Less than high school.....6.18%

RTO Rents, A Division of LLL Inc.
Anchorage, Alaska
(907) 333-2121

03/10/99

MAR 10 1999

HOUSE LABOR AND COMMERCE COMMITTEE

To Representative Norman Rokeberg
Representative Lisa Murkowski

I am writing this letter in support of House Bill No. 128, R.T.O. Rents A Div. of L.L.L. Inc., Dba R.T.O. Rents a locally owned company, think that it is time that Alaska catch up with the other 44 state in the Union that have enacted laws to provide consumers with lease-purchase protection. R.T.O. Rents has been doing busines for 15 years and it is obvious that consumer is reason for our sucess, we support H.b. 128 because it will futher provide protection to lease-purchase customers with mandated disclosures.

The customer has always been and will continue to be our most valuable asset, we have always tried to find a way to extend or continue agreements with customers that have not been able to make payments on time to renew their lease. H.B. 128 will guarantee reinstatement rights to those who are late in making payments or who are temporarily unable to continue renting merchandise. R.T.O.Rents would like to see this bill pass as soon as possible, we like to thank you for your diligent work to see that H.B. 128 is passed.

PAUL D. JACKSON

Paul D. Jackson

GENERAL MANAGER.

Phone (972) 801-1100 • Fax (972) 943-0112 • (800) 275-2696

Rent-A-Center, Inc.
5700 Tennyson Parkway
Third Floor
Plano, TX 75024

MAR 16 1999

March 11, 1999

Representative Norman Rokeberg
Chairman, Labor and Commerce Committee
House of Representatives
State Capitol, Room 24
Juneau, Alaska 99801-1182

Dear Chairman Rokeberg:

Thank you for scheduling H.B. 128 for hearing before your committee. We believe this bill is an important bill for lease-purchase consumers in Alaska. Although we believe that this bill primarily benefits consumers, the industry is also served by having clear operating ground rules and an assurance of how the transaction will be treated in Alaska.

Lease-purchase agreements typically have an initial term of one week or one month and can be terminated at any time without penalty. If the customer chooses to rent for a specified time, ownership of the merchandise is transferred to the customer. Typically there is no down payment or security deposit.

Beginning in 1984, forty-four states have passed lease-purchase laws similar to H.B. 128. Those laws have successfully regulated the industry and provided consumer protections. H.B.128 provides uniform disclosures including cash price, rental rate, and total cost of acquiring ownership. It prohibits confessions of judgment, breaches of the peace and other improper collection activities. It provides grace periods and allows a customer to reinstate the agreement where he left off if he voluntarily returns the merchandise.

I have attached an information sheet on the lease-purchase transaction, the industry and H.B. 128. If you have any need for further information, please let me know. Thank you for your consideration of this issue.

Sincerely,

Bradley W. Denison
Senior VP & General Counsel

BWD:glj

Enclosure

Brad Denison
Senior Vice President
General Counsel

Rent-A-Center, Inc.
5700 Tennyson Parkway
Third Floor
Plano, TX 75024

Direct 972-801-1111
Fax 972-801-1476
E-mail
bdenison@renters choice-inc.com

Lease-Purchase and H.B. 128 Information

H.B. 128

-Requires comprehensive disclosures about the transaction including:

1. total and timing of all payments needed to acquire ownership;
2. how the transaction works;
3. responsibility for property;
4. description of the property;
5. whether the property is new or used and whether it is damaged;
6. initial payment required;
7. statement of all other charges;
8. consumer's option to purchase property before the end of the lease;
9. responsibility for repair and transfer of warranty;
10. consumer's right to terminate at any time without penalty;
11. notice of the right to reinstate the agreement.

-Prohibits:

1. a confession of judgment;
2. a negotiable instrument;
3. a security interest in other property;
4. a wage assignment;
5. an assignment of an Alaska permanent fund dividend;
6. a waiver of claims or defenses;
7. a provision allowing entrance into consumer's home or allowing breach of the peace.

-Provides consumer with the right to reinstate an agreement where he or she left off if the merchandise is voluntarily returned within the grace period.

-Provides disclosure requirements for advertisements

Lease-Purchase Transaction

Lease-Purchase, also known as rent to own or rental purchase, is a unique transaction that offers consumers easy access to name brand merchandise through a flexible, no obligation lease. Lease-purchase agreements typically require an initial period of one week or one month. If the customer chooses to rent for a designated period, ownership of the property is passed to the customer. If the customer does not want the merchandise, he or she can return it at any time without penalty.

A typical lease-purchase agreement does not involve credit checks, down payments or security deposits. Delivery, pick up, and service are also provided.

Less than 30% of our customers use the transaction to gain ownership. On average, merchandise is rented for around four months and returned. Items in our inventory are rented on average 2.5 times.

There is no debt or obligation to continue. No other transaction offers this type of flexibility.

Lease-Purchase Customers

Lease-Purchase customers are demographically diverse, representing all economic and educational backgrounds. Basically anyone that needs flexibility will find value in lease-purchase. Examples of lease-purchase customers are the executive on temporary assignment, a person with a new or uncertain job, college students, and families who don't have credit or who don't want to be tied down by a credit transaction. In 1994, the national trade organization for the industry sponsored a survey which revealed the following information about our customers:

HOUSEHOLD INCOME	*AGE*	*OCCUPATION*
$15,000-23,999.....25%	*25-34.....25%*	*Blue collar.....47%*
$24,000-35,999.....21%	*35-44.....26%*	*White collar.....23%*
$36,000-49,999.....19%	*45-54.....16%*	*Retired.....20%*
$50,000-74,999.....18%	*65 and Over....14%*	
$75,000-Up.....4%	*Under 25.....10%*	
	55-64.....9%	

***Source**: August, 1994, nationwide telephone survey of RTO customers conducted by America's Research Group of Charleston, S.C. Margin of error: 4 percent. C. Britt Beemer, chief investigator.*

Lease-Purchase Industry

There are approximately 8,000 lease-purchase stores located in all fifty states serving three million customers a year. The four billion-dollar industry is made up largely by small dealers with a handful of publicly traded national companies.

Lease-Purchase Law

Lease-purchase has been offered in the United States for over 30 years. In 44 states, there are laws that specifically regulate the transaction. These laws provide a clear definition of the transaction and require consumer disclosures, reinstatement rights, and other valuable consumer protections. The lease-purchase industry has supported this legislation because it believes that the industry is served by clear rules on how customers should be treated and what disclosures are required. At the same time, these laws clarify how lease-purchase will be treated under the law.

In Alaska, a lease-purchase agreement is treated as a lease, not a sale and is consequently not subject to the credit laws. This is appropriate and consistent with the vast majority of states. In Alaska, however, there are very few protections in place for the consumer. H.B. 128 provides the needed protections for consumers.

MAR 1 2 1999

RAC Rent-A-Center

March 11, 1999

VIA Facsimile
Representative Lisa Murkowski
House of Representatives
State Capitol, Room 426
Juneau, Alaska 99801

Dear Representative Murkowksi:

I am writing this letter to you today to thank you for sponsoring a bill that is important to my business, H.B. 128.

I am manager of the Rent-A-Center store in Anchorage. We place a high premium on the relationship we have with our customers, many of whom are return customers. These customers of ours deserve the same protections and lease-purchase disclosures as they would enjoy in most of the other states. H.B. 128 provides these protections and creates a clear set of rules for the way our industry – the lease-purchase industry – must operate.

The bill provides the customer with flexibility in renting merchandise and also includes reinstatement rights, advertisement disclosures and customer protections against inappropriate collection and repossession practices. My store operates by all of these principles and I want to ensure that other lease-purchase businesses do the same. This is a good bill for me because it is a good bill for my customers. Thank you again for sponsoring H.B. 128.

Sincerely,

Gary DeBord

Gary Debord
Manager

MAR 1 5 1999

PREMIER™
RENTAL PURCHASE

March 15, 1999

Representative Norman Rokeberg
House of Representatives
State Capitol, Rm. 24
Juneau, AK 99801-1182
Phone: 907-465-4968
Fax: 907-465-2040

Dear Representative:

I am the owner of Far North Venture, LTD. dba Premier Rental Purchase. I have owned rental purchase stores in Anchorage and Fairbanks for over 13 years. During this time I have personally witnessed magnificent growth in the rental purchase industry. One thing that I feel is needed to increase consumer awareness in this industry is the enacting of laws pertaining to this industry.

It is my understanding that the House Labor and Commerce Committee will be meeting on March 15th and I wish to convey my full support of H.B. 128. I feel that this action has been a long time coming and am excited about it. Please feel free to contact me regarding this matter at any time, If you need to contact any of my customers, please let me know

President
Far North Venture, LTD

Far North Venture, Ltd.
418 3rd St. #9 • Fairbanks, Alaska 99701 • (907) 456-2023 • Fax (907) 452-1185

B 276-1166

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NO
COD

PREMIER
RENT-TO-OWN
TV • VIDEO • AUDIO • FURNITURE • APPLIANCES • COMPUTERS
RENT TO OWN

Rental-Purchase Agreement

Dec 22 1997
MONTH DAY YEAR

0010G980
RENTAL AGREEMENT NO.

1. LESSOR:
PREMIER
502 WEST NORTHERN LIGHTS BLVD
ANCHORAGE AK 99503
(907) 276-1166 Loc: 001-M

2. LESSEE:
RICKER, LOI/GORDON
21429 HOMESTEAD
CHUGIAK AK 99567

688-7469
ep120

3. As used in this Agreement "you" and "your" means the person signing this Agreement as Renter or Lessee. "We", "us" and "our" refers to the Rental Company or Lessor. "Agreement" means this Rental-Purchase Agreement. "Property" refers to the Rental Property described in Item 4 below.

OWNERSHIP OPTIONS DISCLOSURES

The following disclosures are being made in order to assist you in understanding the ownership options as it relates to you.

4. DESCRIPTION OF PROPERTY:

PACKAGE	PRODUCT		BRAND	MODEL #	Unit #	Serial #	CONDITION
	TELEVISION	LARGE PORTABLE TV TELEVISION	JVC	AV27BM3	27 0101-6473	0912M29	USED
	TV REMOTE						

Assigned to
Far North Venture, Ltd.
as collateral and for the purpose
of perfecting its security
interest herein.

CASH PRICE .... $ 415.00

This Property has the following damage(s): PRELEASED

5. PAYMENT:

	FIRST PAYMENT	WEEKLY	SEMI-MONTHLY	MONTHLY
Rental Payment	$ 89.00	$ 22.25	$ .00	$ 89.00
Processing Fee	$ 5.00			
Other Fees	$ .00			
Damage/Loss Waiver	$ N/A	$ N/A	$ N/A	$ N/A
Sales Tax	$ .00	$ .00	$ .00	$ .00
Total	$ 94.00	$ 22.25	$ .00	$ 89.00

ADDITIONAL FEES

Hold Fee	$ 15.00
Reinstatement Fee	$ 5.00
In-Home Collection (as allowed by state law)	$ 15.00

6. OWNERSHIP OPTION: You will acquire ownership of this Property if you make 44 weekly payments for a total of $ 979.00 or 0 semi-monthly payments for a total of $ .00, or 10 monthly payments for a total of $ 890.00. This does not include any fees, taxes, or other charges you may owe under this Agreement. You may obtain ownership other ways (see Item 7 below). Since this Agreement is only for weekly, semi-monthly or monthly rental of this Property, you are only obligated to make one rental payment. If you want to purchase this or similar property now, you may be able to get cash or credit terms from other sources, which will result in lower total costs than the rental payments that we require.

7. EARLY PURCHASE OPTIONS:
A. Early Buyout — At any time after paying the initial rental payment, you may exercise an Early Purchase Option by paying cash. This cash payment will be determined by subtracting 50.000 % off the balance of the total Rental-Purchase Agreement, not including sales tax or fees. This Early Purchase Option is only allowed during the first twelve (12) months of this Agreement, and the account must be in a current status.
B. 90 Day Ownership Option — At any time during the first ninety (90) days of this Agreement, you may purchase this Property for the cash price stated in this Agreement, less total rental payments already paid (not including sales tax or fees). This ninety (90) day option expires on 03/22/98.

8. TERMS OF THIS AGREEMENT: This Agreement is for 1 MO and expires on Thursday, 01/22/98.
If you decide to renew this Agreement, your first renewal payment is due on 01/22/98. You are not obligated in any way to renew this Agreement after the initial rental period. You may renew this Agreement if you have complied with its terms, by sending or delivering a weekly, semi-monthly or monthly payment to us before the end of the rental period. You must make payment in advance to continue using this Property. You understand this Agreement terminates automatically if you do not renew it.

9. TIMELY PAYMENT BONUS: As an incentive to you, if every rental payment is made on or before the due date, we will waive your last three (3) rental payments.

10. HOLD POLICY: If you fail to make a timely renewal payment, you have the right to reinstate this Agreement by paying all past due rental payments, any applicable late charges, reinstatement fees, and redelivery fees, and one (1) month advance rental payment, provided:
1. You have voluntarily returned this Property to us, if requested, and
2. No more than seven (7) days have passed since you have paid a timely rental payment.

11. RESPONSIBILITY: You are responsible for a minimum of one (1) month's rental on all items except furniture, which has a three (3) month minimum. If jointly rented, both parties are equally responsible for compliance to this Rental Purchase Agreement.

12. FEES: Explanation of fees which may be assessed:
A. Processing Fee: A fee payable at the time a new agreement is established to cover the costs of preparing and processing your file.
B. Other Fees: Other fees which may be assessed, such as installation, delivery, etc.
C. Reinstatement Fee: A fee that will be charged if your rental payment is received past the renewal date.
D. In-Home Collection Fee: A fee for collecting or attempting to collect a rental payment at your home or business.

13. SALES TAX: The sales tax rate in effect on the date of this Agreement is subject to change by applicable governmental authorities. Your payment will be subject to any sales tax changes that may occur while you are renting this Property. I understand that sales tax will be collected at the time of each rental payment.

14. LOSS AND/OR DAMAGE TO THIS PROPERTY: We do not carry insurance on this Property, and you are responsible for its safety until it is returned to us. You are fully responsible for damage to or loss and destruction of this Property from all causes, including, but not limited to, theft, vandalism, malicious mischief, or mysterious disappearance. If this Property is damaged, you must pay us immediately for all repairs.

15. INSURANCE: You are not required to purchase insurance for this Property from us or any agent designated by us.

16. DAMAGE/LOSS WAIVER: By initialing here you [initials] accept ______ decline the waiver fee as stated in Item 5. Acceptance will release you from any future liability for loss or damages to the merchandise due to the following event(s): fire, flood, lightning or theft. In the event of theft there must be visible signs of forced entry and you must supply us with a police report within forty-eight (48) hours of the incident. Damages due to your neglect or abuse are not covered. We cannot require you to purchase this option as a condition of renting the rental Property.

17. MAINTENANCE: During the period of this Agreement, we will provide service for this Property, covering normal repairs, at no additional charge to you. We will not be responsible for the cost of unauthorized repairs done by others. We shall not be required to repair or maintain this Property if you default on any of the terms of this Agreement or after you obtain ownership. We are not responsible for the repair of any fabric or upholstered products due to the normal wear and tear anticipated during normal use, or damage caused by or because of Lessee(s) negligence.

18. WARRANTIES: If you choose to exercise an Early Purchase Option as described in Item 7 above, we will give you the details of our limited warranty and any manufacturer's warranty which may still be in effect. You may read these warranties at our store any time you choose.

19. TERMINATION AND DEFAULT: You may terminate this Agreement at any time after fulfilling the minimum rental period specified in Item 11 above. We may terminate this Agreement if you fail to keep any of your agreements. We may notify you of termination in writing or by telling you. You agree to pay us the cash price of this Property as stated in this Agreement if you fail to return this Property to us when this Agreement terminates.

20. RETURN OF PROPERTY ON TERMINATION: If this Agreement is terminated for any reason, you agree to provide for the immediate return of this Property to us.

21. REIMBURSEMENT OF COSTS: If you do not keep this Agreement, in addition to other charges you may owe us, you understand that you will have to pay us for all reasonable costs we incur in getting our Property back. These costs may include attorney's fees and court costs if they are incurred and permitted by state law.

22. EQUITY: You understand that we own this Property until you buy it or obtain ownership as stated in this Agreement. During the rental term, you do not have any ownership interest in this Property at all, and you do not have the right to a refund of any rental payments when this Agreement is terminated.

23. LOCATION OF PROPERTY: You agree to keep this Property at the address shown in Item 2 above. If you remove this Property without our written permission, we have the right to terminate this Agreement immediately.

24. ASSIGNMENT: We may sell, transfer, or assign this Agreement. However, you have no right to sell, transfer, assign, pawn, or sub-lease this Property.

25. DAMAGE TO PERSONS OR PROPERTY: You understand that we will not be responsible for any loss or damage to any person or property arising out of the use of this Property.

26. MISCELLANEOUS PROVISIONS: You understand that no changes may be made to this Agreement except by us in writing. You understand that this Property may be new or previously rented, as indicated in Item 4 above. You have examined this Property, and you agree that you have received this Property in satisfactory condition. You understand that [illegible] in this Agreement are that we do NOT have a "Grace Period" for rental payments or other terms. You MUST provide us with your Social Security Number in order to rent this Property.

27. BUSINESS/PERSONAL PROPERTY TAX: You will be held directly responsible with any governmental agency for any and all Business/Personal Property Tax that may be levied against the merchandise that may occur during this Rental-Purchase Agreement.

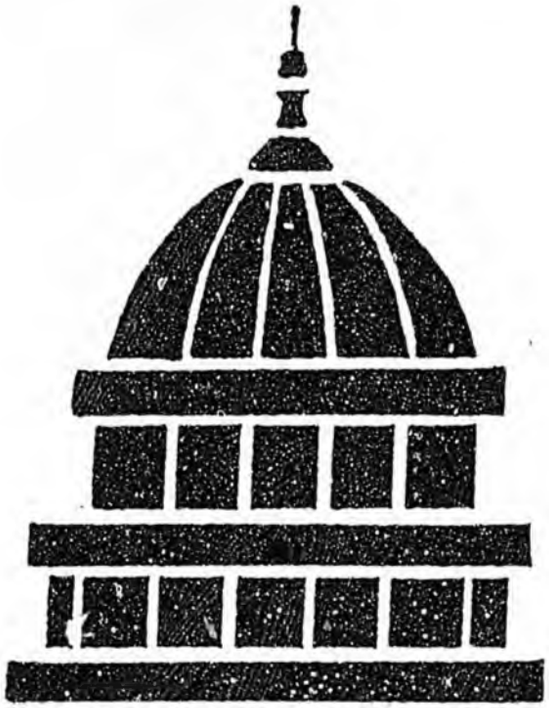
DO NOT SIGN THIS RENTAL-PURCHASE AGREEMENT BEFORE YOU READ THE ENTIRE AGREEMENT, EVEN IF OTHERWISE ADVISED.
DO NOT SIGN THIS RENTAL-PURCHASE AGREEMENT IF IT CONTAINS ANY BLANK SPACES.
YOU ARE ENTITLED TO AN EXACT COPY OF THE RENTAL-PURCHASE AGREEMENT YOU SIGN. KEEP IT TO PROTECT YOUR LEGAL RIGHTS.

Lessee: [signature] Date: 12/22/97 Address on ID: SSN: 544722344 SSN: DOB: 12/14/58 DOB:

Lessee: ______ Date: ______ Address on ID: ______ SSN: ______ DOB: ______ RTF-20

Witness: [signature] Date: 12-22-97

Office Entry "N" (in) units" All Payments must be made in advance "$15.00 return check fee"



SUGGESTED STATE LEGISLATION

1991 Volume 50

The Council of State Governments

Developed by the
Committee on Suggested State Legislation

The Council of State Governments
Lexington, Kentucky

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Lease-Purchase Agreement Act

This act, based on 1988 Virginia legislation, involves lease-purchase, popularly known as "rent-to-own" transactions. As defined in this act, a "lease-purchase agreement" means an agreement for the use of property — primarily for personal, family or household purposes — for an initial period of four months or less that is automatically renewable with each payment after the initial period (but does not require or obligate the consumer to continue leasing beyond that period) and that permits the consumer to become the owner of the property.

Among its provisions, the legislation requires the lessor to disclose to the consumer information on the number, amount and timing of payments necessary to acquire ownership of the property; a statement declaring that the consumer will not own the property until the consumer has made the total payment necessary to acquire ownership; the cash price of the property; and various other terms of the agreement.

States have taken different approaches in this area. For example, Pennsylvania's goods and services installment sales act includes a maximum 18 percent APR for rent-to-own contracts (Act 57, 1989; HB 1299). In this case, rent-to-own transactions are included under the state's credit sales provisions. The interest rate on rent-to-own transactions is an imputed interest rate: it is intended to be a rate no higher than the rate on retail transactions on an installment basis.

Iowa, Michigan, Minnesota, Nebraska, New York, Ohio and South Carolina require that between 45 and 55 percent of each payment in a rent-to-own transaction be applied toward the purchase price. Nearly half the states require disclosure of charges in rent-to-own agreements.

Suggested Legislation

(Title, enacting clause, etc.)

Section 1. [*Short Title*] This act may be cited as the [state] Lease-Purchase Agreement Act.

Section 2. [*Definitions.*] As used in this act:

(1) "Advertisement" means a commercial message in any medium that aids, promotes or assists, directly or indirectly, a lease-purchase agreement.

(2) "Cash price" means the price at which the lessor would have sold the property to the consumer for cash on the date of the lease-purchase agreement.

(3) "Consumer" means a natural person who rents personal property under a lease-purchase agreement to be used primarily for personal, family or household purposes.

(4) "Consummation" means the time a consumer becomes contractu-

ally obligated on a lease-purchase agreement.

(5) "Lessor" means a person who regularly provides the use of property through lease-purchase agreements and to whom lease payments are initially payable on the face of the lease-purchase agreement.

(6) "Lease-purchase agreement" means an agreement for the use of personal property by a natural person primarily for personal, family or household purposes, for an initial period of [four] months or less that is automatically renewable with each payment after the initial period, but does not obligate or require the consumer to continue leasing or using the property beyond the initial period, and that permits the consumer to become the owner of the property.

Section 3. [*Inapplicability of Other Laws; Exempted Transactions.*]

(a) Lease-purchase agreements which comply with this act are not governed by the laws relating to:

(1) A home solicitation sale as defined in [insert citation for appropriate state statute];

(2) A consumer transaction as discussed in [insert citation for appropriate state statute]; or

(3) A security interest as defined in [insert citation for appropriate state statute].

(b) This act does not apply to the following:

(1) Lease-purchase agreements primarily for business, commercial or agricultural purposes, or those made with governmental agencies or instrumentalities or with organizations;

(2) A lease of a safe deposit box;

(3) A lease or bailment of personal property which is incidental to the lease of real property, and which provides that the consumer has no option to purchase the leased property; or

(4) A lease of an automobile.

Section 4. [*General Requirements of Disclosure.*]

(a) The lessor shall disclose to the consumer the information required by this act. In a transaction involving more than one lessor, only one lessor need make the disclosures, but all lessors shall be bound by such disclosures.

(b) The disclosures shall be made at or before consummation of the lease-purchase agreement.

(c) The disclosures shall be made clearly and conspicuously in writing and a copy of the lease-purchase agreement provided to the consumer. The disclosures required under Section 5(a) shall be made on the face of the contract above the line for the consumer's signature.

(d) If a disclosure becomes inaccurate as the result of any act, occurrence or agreement by the consumer after delivery of the required disclosures, the resulting inaccuracy is not a violation of this act.

Section 5. [*Disclosures.*]

(a) For each lease-purchase agreement, the lessor shall disclose in the agreement the following items, as applicable:

(1) The total number, total amount and timing of all payments necessary to acquire ownership of the property;

(2) A statement that the consumer will not own the property until the consumer has made the total payment necessary to acquire ownership;

(3) A statement that the consumer is responsible for the fair market value of the property if, and as of the time, it is lost, stolen, damaged or destroyed;

(4) A brief description of the leased property, sufficient to identify the property to the consumer and the lessor, including an identification number, if applicable, and a statement indicating whether the property is new or used, but a statement that indicates new property is used is not a violation of this act;

(5) A brief description of any damages to the leased property;

(6) A statement of the cash price of the property. Where the agreement involves a lease of [five or more] items as a set, in one agreement, a statement of the aggregate cash price of all items shall satisfy this requirement;

(7) The total of initial payments paid or required at or before consummation of the agreement or delivery of the property, whichever is later;

(8) A statement that the total of payments does not include other charges, such as late payment, default, pickup and reinstatement fees, which fees shall be separately disclosed in the contract;

(9) A statement clearly summarizing the terms of the consumer's option to purchase, including a statement that the consumer has the right to exercise an early purchase option and the price, formula or method for determining the price at which the property may be so purchased;

(10) A statement identifying the party responsible for maintaining or servicing the property while it is being leased, together with a description of that responsibility, and a statement that if any part of a manufacturer's express warranty covers the lease property at the time the consumer acquires ownership of the property, it shall be transferred to the consumer, if allowed by the terms of the warranty;

(11) The date of the transaction and the identities of the lessor and consumer;

(12) A statement that the consumer may terminate the agreement without penalty by voluntarily surrendering or returning the property in good repair upon expiration of any lease term along with any past due rental payments; and

(13) Notice of the right to reinstate an agreement as herein provided.

(b) With respect to matters specifically governed by the Federal Consumer Credit Protection Act, compliance with such act satisfies the requirements of this section.

Section 6. [*Prohibited Practices.*] A lease-purchase agreement may not contain:

(1) A confession of judgment;

(2) A negotiable instrument;

(3) A security interest or any other claim of a property interest in any

goods except those goods delivered by the lessor pursuant to the lease-purchase agreement;

(4) A wage assignment;

(5) A waiver by the consumer of claims or defenses; or

(6) A provision authorizing the lessor or a person acting on the lessor's behalf to enter upon the consumer's premises or to commit any breach of the peace in the repossession of goods.

Section 7. [*Reinstatement.*]

(a) A consumer who fails to make a timely rental payment may reinstate the agreement, without losing any rights or options which exist under the agreement, by the payment of

(1) All past due rental charges,

(2) If the property has been picked up, the reasonable costs of pick-up and redelivery, and

(3) Any applicable late fee, within [five] days of the renewal date if the consumer pays monthly, or within [two] days of the renewal date if the consumer pays more frequently than monthly.

(b) In the case of a consumer who has paid less than [two-thirds] of the total of payments necessary to acquire ownership and where the consumer has returned or voluntarily surrendered the property, other than through judicial process, during the applicable reinstatement period set forth in subsection (a) of this section, the consumer may reinstate the agreement during a period of not less than [21] days after the date of the return of the property.

(c) In the case of a consumer who has paid [two-thirds or more] of the total of payments necessary to acquire ownership, and where the consumer has returned or voluntarily surrendered the property, other than through judicial process, during the applicable period set forth in subsection (a) of this section, the consumer may reinstate the agreement during a period of not less than [45] days after the date of the return of the property.

(d) Nothing in this section shall prevent a lessor from attempting to repossess property during the reinstatement period, but such a repossession shall not affect the consumer's right to reinstate. Upon reinstatement, the lessor shall provide the consumer with the same property or substitute property of comparable quality and condition.

Section 8. [*Receipts and Accounts.*] A lessor shall provide the consumer a written receipt for each payment made by cash or money order.

Section 9. [*Renegotiations and Extensions.*]

(a) A renegotiation shall occur when an existing lease-purchase agreement is satisfied and replaced by a new agreement undertaken by the same lessor and consumer. A renegotiation shall be considered a new agreement requiring new disclosures. However, events such as the following shall not be treated as renegotiations:

(1) The addition or return of property in a multiple-item agreement or the substitution of the lease property, if in either case the average pay-

ment allocable to a payment period is not changed by more than [25] percent;

(2) A deferral or extension of [one or more] periodic payments, or portions of a periodic payment;

(3) A reduction in charges in the lease or agreement; and

(4) A lease or agreement involved in a court proceeding.

(b) No disclosures are required for any extension of a lease-purchase agreement.

Section 10. [*Advertising.*]

(a) If an advertisement for a lease-purchase agreement refers to or states the dollar amount of any payment and the right to acquire ownership for any one specific item, the advertisement shall also clearly and conspicuously state the following items, as applicable:

(1) That the transaction advertised is a lease-purchase agreement;

(2) The total of payments necessary to acquire ownership; and

(3) That the consumer acquires no ownership rights if the total amount necessary to acquire ownership is not paid.

(b) Any owner or personnel of any medium in which an advertisement appears or through which it is disseminated shall not be liable under this section.

(c) The provisions of subsection (a) of this section shall not apply to an advertisement which does not refer to or state the amount of any payment, or which is published in the yellow pages of a telephone directory or in any similar directory of business.

Section 11. [*Enforcement; Penalties.*] Any violation of this act shall constitute a prohibited practice under the provisions of [insert citation for appropriate state statute] and shall be subject to any and all of the enforcement provisions of [insert citation for appropriate state statute].

Section 12. [*Effective Date.*] [Insert effective date.]