

12072

SENATE

TRANSPORTATION

12072

SB

183

CHUGIAK COMMUNITY COUNCIL

P.O. Box 671350
Chugiak, Alaska 99567

April 21, 2005

TO: Distribution

SUBJECT: Chugiak Community Council Recommendations Regarding HB 279 and SB 183 - An A Relating to Encroachments in the Right-of-Way of a Highway

At the monthly meeting of the Chugiak Community Council (Council), held on April 21, 2005, the Council discussed proposed House Bill 279 and proposed Senate Bill 183. These bills both propose that an encroachment permit be issued to a property owner who has a right-of-way (ROW) encroachment if the encroachment does not pose a risk to the traveling public, the encroachment was erected in good faith, and if denial of the encroachment permit would pose a hardship on the property owner. Furthermore, these bills propose that a ROW encroachment cannot be removed until it is determined that the encroachment does not qualify for an encroachment permit. Furthermore, these bills propose that a fee may be charged for an encroachment permit.

The Council voted unanimously to support this legislation as it would reduce negative impacts to many Chugiak property owners due to the proposed construction of the Old Glenn Highway Rehabilitation Project (ADOT&PF State Project No. 52515). The Old Glenn Highway is an arterial running between Eagle River and Peters Creek; and, this project will add shoulders, an adjacent trail, and additional lighting at the major intersections. The project is currently in the ROW acquisition phase with construction expected to commence in May 2007.

The Old Glenn Highway Rehabilitation Project is a federally-funded project; therefore, the Federal Highway Administration (FHWA) will require that the state certify there are no encroachments within the ROW before the state can be reimbursed for its share of expenses. Property owners who own residences and businesses adjacent to the Old Glenn Highway and who have ROW encroachments, through no fault of their own, will be impacted by the removal of their encroachments as a result of this project.

If enacted, this legislation would allow some ROW encroachments to remain provided the encroachments would not impact the above-ground road improvements, for example, water wells, lift-stations, septic fields, parking spaces, etc. If such ROW encroachments were permitted, this would greatly reduce potential personal and business impacts to the property owners. Allowing such encroachments to exist seems sensible especially if the encroachment is located within a ROW that is much wider than required for the planned roadway improvements. Please note that the Old Glenn Highway's ROW width varies between 60 and 300 feet.

This legislation might also reduce potential impacts to the Chugiak Volunteer Fire Department's Latimer Fire Station and parking lot as well as to the Chugiak Benefit Association's community center buildings, parking lot, basketball court, and fenced play area .

The Council encourages the public to continue to voice their opinions to their elected representatives about HB 279, SB 183, and the Old Glenn Highway Rehabilitation Project.

Please call me at 907-688-6575 if you have questions.

Sincerely,

Merten Bangemann-Johnson
President
Chugiak Community Council
mertenbj@chugiakcouncil.org

Distribution

State of Alaska:

The Honorable Con Bunde, Alaska Senator;
The Honorable Fred Dyson, Alaska Senator;
The Honorable Charlie Huggins, Alaska Senator;
The Honorable Nancy Dahlstrom, Alaska Representative;
The Honorable Mike Hawker, Alaska Representative;
The Honorable Pete Kott, Alaska Representative;
The Honorable Bill Stoltze, Alaska Representative

Cc. Michael Barton/Commissioner ADOT&PF;
Gordon Keith/Central Region Director ADOT&PF;
Carl Nelson/ADOT&PF;
Kenneth W. Chapman/ADOT&PF;
Al Burton/ADOT&PF;
Dave Yanoshek/CRW Engineering Group, LLC;
The Honorable Mark Begich, Mayor, MOA;
The Honorable Municipality of Anchorage Assembly;
Lance Wilber, Director, MOA Traffic;
Craig Lyon/AMATS;
CBERRRSA Board;
CFSA Board;
ERCPRSA Board;
CBA Board;
Birchwood Community Council;
Eagle River Community Council;
Eagle River Valley Community Council;
Eklutna Valley Community Council;
South Fork Community Council;
Chugiak/Eagle River Chamber of Commerce

ALASKA STATE LEGISLATURE

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Senator_Charlie_Huggins@legis.state.ak.us



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Charlie Huggins
Senator

24-LS0937G

SPONSOR STATEMENT

Senate Bill 183

"An Act relating to encroachments in the right-of-way of a highway."

Under the Department of Transportation & Public Facilities there are regulations that allow permits to be issued for encroachments in the right-of-way. However, when a construction project begins there is a federal law requiring all encroachments be removed from the right-of-way. Areas designated as part of the project may not even have any direct contact with the construction project but those encroachments are still required to be removed. Senate Bill 183 will, by statute, allow existing encroachments in the right-of-way to remain if they qualify for a permit granted to them by the Department of Transportation & Public Facilities.

The provisions of SB 183:

- Inserts an exception into statute that will grandfather current encroachments in the right-of-way of a highway by obtaining a permit by the Department of Transportation & Public Facilities.
- The permit may be issued to a private person, a government agency acting in a business capacity, or an owner or lessee of land contiguous to the right-of-way.
- In order to qualify for the permit, the encroachment must:
 1. Not pose a risk to the traveling public.
 2. The erection of the encroachment occurred in good faith.
 3. The denial of the encroachment permit would pose a hardship on landowner.



Chugiak-Eagle River Chamber of Commerce

"Place of Many Places"

April 22, 2005

Senator Charlie Huggins
Chair, Senate Transportation
Alaska State Legislature
Juneau, AK 99801

RE: SB183 / "An Act Relating to Encroachments in the right-of-way of a highway

At the April 22, 2005 Board meeting of the Chugiak-Eagle River Chamber of Commerce, the Board Members voted to support SB183 "An Act Relating to Encroachments in the right-of-way of a highway." This legislation is essential in order to provide relief for road projects caught up in funding mandates under the Federal Highway Administration. These mandates require vacating right-of-ways when they are outside the footprint of the project in order to receive federal funding. With respect to the Old Glenn, right-of-way easements vary dramatically (from 60 to 300 feet) and the State is demanding vacating every ROW encroachment equally. Some of these required vacations will have a profound effect on property owners and important community organizations and yet do not impact the footprint of this project.

The Board supports this legislation and views it as a correcting mechanism allowing greater flexibility under the mandates of federal law as they relate to federal highway funding.

Respectfully submitted,

Susan Gorski
Executive Director

(907) 694-4702 PHONE • (907) 694-1205 FAX

**SENATE COMMITTEE REPORT
First Committee of Referral**

DATE: 4/20/05

FURTHER: Finance

Date of 5-Day Notice: 4/21/05
(in accordance with Uniform Rule 23)

DATE TURNED IN TO OFFICE: 4/29/05

Transportation Committee considered SENATE BILL NO. 183

SB 183 OUTDOOR ADVERTISING; ENCROACHMENTS

"An Act relating to encroachments in the right-of-way of a highway."

and recommends:

- be replaced with _____ CS SB 183 (TRA)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Inten^t by _____ Committee
- further referral to _____ Committee

CS Senate Bill:	
<input checked="" type="checkbox"/>	Same Title
<input type="checkbox"/>	New Title
SCS House Bill:	
<input type="checkbox"/>	Same Title
<input type="checkbox"/>	Technical Title Change
<input type="checkbox"/>	New Title w/ SCR # _____

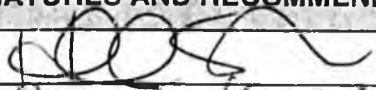

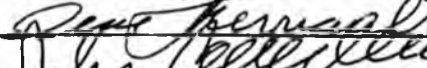
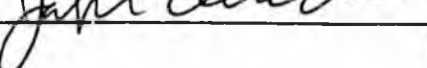
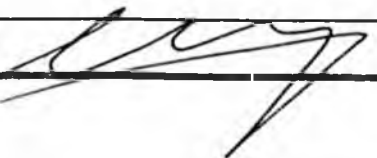
NEW FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#
DOT	4/28/05	✓			1

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
 French			X	
 Kookesh			X	
 Theriault			X	
 Cowdery	✓			
CHAIR:  Huggins				



Chugiak-Eagle River Chamber of Commerce

"Place of Many Places"

April 22, 2005

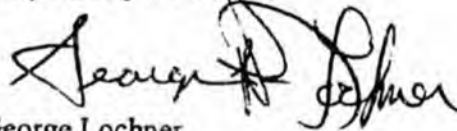
Representative Bill Stoltze
Representative Nancy Dahlstrom
Representative Pete Kott
Representative Mike Hawker
Alaska State Legislature
Juneau, AK 99801

RE: HB 279 / "An Act Relating to Encroachments in the right-of-way of a highway"

At the April 22, 2005 Board meeting of the Chugiak-Eagle River Chamber of Commerce, the Board Members voted to support HB 279 "An Act Relating to Encroachments in the right-of-way of a highway." This legislation is essential in order to provide relief for road projects caught up in funding mandates under the Federal Highway Administration. These mandates require vacating right-of-ways when they are outside the footprint of the project in order to receive federal funding. With respect to the Old Glenn, right-of-way easements vary dramatically (from 60 to 300 feet) and the State is demanding vacating every ROW encroachment equally. Some of these required vacations will have a profound effect on property owners and important community organizations and yet do not impact the footprint of this project.

The Board supports this legislation and views it as a correcting mechanism allowing greater flexibility under the mandates of federal law as they relate to federal highway funding.

Respectfully submitted,


George Lochner
President

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17 AAC 10.010. Encroachments

An encroachment may be installed within a highway right-of-way if the encroachment has been permitted by the department under this chapter.

History: Eff. 6/25/69, Register 30; am 4/20/2000, Register 154

Authority: AS 19.05.020

AS 19.05.070

AS 19.05.200

AS 44.42.030

17 AAC 10.011. Types of encroachments authorized

(a) The department may issue at no cost an encroachment permit for use of a highway right-of-way by a municipality, state agency, or federal agency, subject to any conditions imposed under 17 AAC 10.014, if the municipality or agency is not acting in a business capacity. The permit will be issued on a form that the department prescribes. Permitted uses include

(1) flags of states or nations;

(2) decorative banners; and

(3) signs, without logos or names of sponsors, that are intended to inform motorists that they are entering a municipality, community, or state.

(b) The department may issue an encroachment permit for the use of a highway right-of-way by a private person, or by a government agency acting in a business capacity, to an owner or lessee of land contiguous to the highway right-of-way where the owner or lessee's primary activity occurs, if the use complies with the requirements of 17 AAC 10.012, and the use is allowed under (c) of this section. The department may impose permit conditions under 17 AAC 10.014. An encroachment permit issued under this subsection is valid for a term of no more than five years for a specific use. The department may renew the permit for additional subsequent terms of no more than five years each. The permit will be issued on a form that the department prescribes. A permit applicant must pay a \$200 nonrefundable application fee. In addition, the permittee must pay economic rent established under 17 AAC 10.013, or \$100 annually, for the use of the land, whichever amount is greater. A permittee must pay a nonrefundable \$100 reapplication fee each time the permittee files a request to renew the permit. Upon renewal of the permit, the permittee must pay economic rent, as established under 17 AAC 10.013 as of the date of extension, or \$100 annually, whichever amount is greater. The department may revoke an encroachment permit before the end of its term, after notice issued to the permittee at least 30 days before the date of revocation. The issuance

of a permit under AS 19.25, or this chapter does not entitle the permittee to a payment of just compensation or relocation benefits under AS 34.60, if a permit is revoked or a request for renewal is denied.

(c) An encroachment permit issued under (b) of this section allows any lawful use except the following:

- (1) any permanent structure located partially or completely in the right-of-way;
- (2) water and sewer facilities that the department has not permitted under 17 AAC 15;
- (3) a tank of any size;
- (4) fueling facilities;
- (5) repealed 3/1/2002;
- (6) a use not in the best interest of the state; and
- (7) a land use on a highway right-of-way that allows development on contiguous land that would not otherwise be possible without the use of the highway right-of-way.

(d) The land area described in the encroachment permit may not be used to meet minimum requirements for a contiguous land use under applicable municipal land use standards or under regulations adopted by the Department of Environmental Conservation. The contiguous land use must meet those minimum requirements without regard to the land contained within the encroachment permit. The use of the land described in the encroachment permit must be an accessory use to the contiguous land use.

(e) After the completion of construction of a highway, the department may, subject to 17 AAC 10.014, issue at no cost an encroachment permit in the form of a beautification permit to a government agency, a municipality, an individual, or a non-profit organization to allow planting of trees, shrubs, grasses, or flowers, and any structures necessary to support the plants, that do not endanger motorists, bicyclists, or pedestrians within the highway right-of-way. A beautification permit will be issued on a form that the department prescribes. The department may attach to a beautification permit any condition that is necessary to protect the integrity and safety of a highway's design, and to protect the traveling public or the persons planting trees, shrubs, grasses, and flowers within the highway right-of-way. The department may remove trees, shrubs, grasses, or flowers planted in a highway right-of-way, or structures supporting the plants, under a beautification permit that become a hazard to the traveling public, interfere with a highway's maintenance or operation, interfere with construction on a highway, or threaten to damage a highway embankment.

(f) The department may issue an encroachment permit on a form it prescribes, at no cost to a government agency for the installation in highway rest stops or pullouts of commemorative plaques, historical or interpretive markers, and informational signs. The plaques, markers, and signs may be permitted only if they cannot be read from the highway.

(g) The provisions of this section do not apply to driveway permits issued under 17 AAC 10.020, utility permits issued under 17 AAC 15, or the installation of mail boxes, including newspaper boxes, within a highway right-of-way.

(h) The department may issue under (b) of this section an encroachment permit for an existing structure or a portion of that structure or for existing water or sewer facilities for which the department has not issued a utility permit issued under 17 AAC 15, if

- (1) the encroachment does not present a risk to the health or safety of the public;
- (2) the construction of the encroachment occurred in good faith; and
- (3) the denial of the permit would create a hardship for the owner of the encroachment.

History: Eff. 4/20/2000, Register 154; am 3/1/2002, Register 161

Authority: AS 19.05.020

AS 19.05.070

AS 19.25.200

AS 44.42.030

17 AAC 10.012. Approval requirements for encroachments

The department will, in its discretion, grant an encroachment permit under 17 AAC 10.011, if the department determines that

- (1) the integrity and safety of the highway is not compromised;
- (2) the issuance of the permit will not cause a break in access control for the highway;
- (3) the land will not be necessary for a highway construction project during the initial term of the permit; and
- (4) issuing the permit is in the best interest of the state.

ALASKA STATE LEGISLATURE

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Charlie Huggins Senator

4/27/05

SB 183 – "An Act relating to encroachments in the right-of-way of a highway."

SB 183 was introduced to reduce negative impacts to many property owners, in a number of areas of the state, due to proposed road construction projects. These property owners have existing encroachments in the right of way and under federal guidelines the FHWA requires that all encroachments be removed.

This legislation allows the state Department of Transportation and Public Facilities, under certain conditions, to issue an encroachment permit to property owners who have an EXISTING encroachment. The conditions are outlined in the legislation.

SB 183 creates a sensible solution to grandfather existing encroachments that do not interfere with a road construction project.

John MacKinnon, Deputy Commissioner of DOT is available for questions and he can further discuss the this legislation.

However, Senator, before that Debbie Osiander is on teleconference and under time constraints, if the members could hold their questions until she gives a brief statement that would be appreciated and then we can bring John to the table.

STATE OF ALASKA

DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES
OFFICE OF THE COMMISSIONER

FRANK H. MURKOWSKI, GOVERNOR

(907)
3132 CHANNEL DRIVE
JUNEAU, ALASKA 99801-7898

TEXT: (907) 465-3652
FAX: (907) 586-8365
PHONE: (907) 465-3900

May 5, 2005

The Honorable Lyda Green
Co-Chair, Senate Finance
State Capitol, Room 516
Juneau, Alaska 99801

The Honorable Gary Wilken
Co-Chair, Senate Finance
State Capitol, Room 518
Juneau, Alaska 99801

Dear Senators Green and Wilken:

The Department of Transportation and Public Facilities (DOT&PF) is requesting three amendments to CSSB 183(TRA) "An Act relating to encroachments in the right-of-way of a highway."

The Department supports the intent of the bill and has worked closely and cooperatively with the sponsors of both the Senate and House versions to ensure the final version addressed the issue at hand, did not expose the State to any undue liability and was within the parameter under which the Department operates.

The following two pages include specific amendments that we feel need to be included for purposes of clarification and to address a potentially significant liability issue.

If you have any questions or need further information, please contact Deputy Commissioner John MacKinnon, or Nona Wilson, Legislative Liaison at 465-3900.

Sincerely,



Mike Barton
Commissioner

Enclosure

cc: Senator Charlie Huggins
Representative Mike Hawker
Representative Bill Stoltze
Kevin Jardell, Legislative Liaison, Office of the Governor
Kris Knauss, Policy Director, Office of the Governor

Proposed Changes to SB 183/HB 279 – Encroachment Permits

1. Change “Fee” To “Application Fee” in Sec 2(d)

The department currently charges “economic rent” for the use of the right-of-way in which it is the fee owner. The existing language in AS 19.25.200(d) could be read to restrict the department to collection of \$100 total. We want to ensure that “fee” is not confused with “economic rent.” Where we own the underlying fee, we have an obligation to collect “economic rent”. Presently our regulations have a \$200 application fee, a requirement for “economic rent” or \$100 per year, whichever is greater, a five-year permit term, and a \$100 permit renewal fee.

The department estimates that its annual lost revenue would be in excess of \$100,000 if the department is restricted to a maximum \$100 per encroachment.

2. Correct the liability issue in Sec 2 (g)

SB 183 effectively opens up state ROW because of hardship to landowners. At the same time, the liability clause invites litigation against the State of Alaska. It makes no sense to increase state liability where the legislation directly benefits private landowners, and not the state. Since the department will be permitting the encroachments, plaintiffs could always argue that the state was somehow negligent in granting the permit to begin with.

The bill, as presently drafted, would effectively subject the state to liability for private citizen use of the state right-of-way, and could be read to place an obligation of on-going monitoring, maintenance, etc., in order to avoid charges of “reckless” or “grossly negligent” behavior. Obviously, the department does not have the resources to constantly monitor all of the right-of-way in the state. Nevertheless, that would not prevent plaintiffs from arguing that the department was “grossly negligent” not to perform at least yearly monitoring, or that it was grossly negligent not to notice that an encroachment had deteriorated in condition from the date of initial permitting. The existing language invites plaintiffs to make precisely these kind of arguments, and to embroil the department in ongoing litigation.

The original language in SB 183 should be adopted as follows:

(g) The state is not liable for damage to, or damage or injury resulting from the presence of, an encroachment in the right-of-way of a state highway.

If the foregoing language is not used, then language more closely approximating existing statutory language should be used, such as follows:

(g) The state is not liable for damage to the encroachment, or damage, injury, or death resulting from the presence of an encroachment in the right-of-way of a state highway. This section

does not apply to a civil action for damages as a result of a permitted encroachment resulting from intentional misconduct within the course and scope of employment or agency and with complete disregard for the safety and property of others.

3. **Modify Good Faith Language Sec. 2 (c)(2)**

The existing "good faith" requirement is too vague. There is no real way to determine "good faith." To clarify this ambiguity, the department suggests replacing (c)(2) with the following language: **"The applicant has demonstrated the encroachment was erected with the good faith belief it was lawful to erect and maintain the encroachment in its location."**

SB

261



State of Alaska
Department of
Public Safety

Frank H. Murkowski, Governor
William Tandeske, Commissioner

January 25, 2006

Honorable Mark Neuman
State Capitol
Room 432
Juneau, AK 99801-1182

Dear Representative Neuman:

Based on our recent conversations regarding highway safety issues I thought you might find the attached ~~motor vehicle crash analysis~~ **informative**. This information was compiled from **data covering FY01 through FY05 and YDT FY06** as an internal tool to assess areas of the state requiring our intervention. The numbers represented are for State Trooper activity only.

If you would like to discuss the information I have provided in more detail, please do not hesitate to contact my office.

Sincerely,

A handwritten signature in black ink, appearing to read "William Tandeske".

William Tandeske
Commissioner

Attachment

**Department of Public Safety
Motor Vehicle Crash Analysis
FY 01 Thru FY 05**

We looked at all types of fatal and injury traffic crashes except ATV's over the period from and inclusive of FY01 through and inclusive of FY05. This is AST case data only. Each number represents an individual event and not the number of persons killed or injured. Several "views" of the data will be presented here.

We will start with the combined data from all 5 years.

This is a list of the top 10 beat areas when you sort by number of fatality accidents only:

Total All Years (FY 01-05) Sorted By Fatal					
Beat Description	Det	Beat	Fatal	Injury	Combined
WASILLA	B	HECE	35	697	732
SEWARD HWY	E	UEBA2	14	143	157
STERLING	E	HDQF	10	155	165
COOPER LANDING	E	HDSF	9	119	128
ESTER	D	HJBF	8	365	373
DELTA JUNCTION	D	HJJB	7	61	68
STEESE MOBILE	D	HJMF	7	178	185
MUSK OX SUBDIVISION	D	HJCD	6	156	162
NIKISHKI	E	HDQL	6	125	131
RICHARDSON	D	HJG	6	304	310
SUTTON	B	HEBS	6	19	25
NENANA	D	HJBM	5	54	59
PALMER	B	HECF	5	218	223
TALKEETNA	B	HHAA	5	55	60
ANCHOR POINT	E	HCYD	3	52	55
HEALY	D	HHJA	3	40	43
KASILOF	E	HDQH	3	74	77
NINILCHIK	E	HDQC	3	39	42
NOME	C	RHTA	3	10	13
SEWARD	E	HDSA	3	70	73
SILVERTIP	E	HDSG	3	65	68
TOK	D	HHEB	3	35	38
BUTTE	B	HEBU	2	71	73
CHICKALOON	B	REBV	2	17	19
CHIGNIK	C	RBWA	2	0	2
CHULITNA	B	HHBA	2	29	31
EAST END ROAD WATERMAN - FALLS CR	E	HCYM	2	38	40
FORT GREEN	D	HJJC	2	11	13
GALENA	D	RHYC	2	5	7
HOUSTON	B	HEBY	2	21	23
LAWING/CROWN POINT	E	RDTI	2	17	19
NORTH TONGASS	A	UACA4	2	54	56
PAXSON	B	RHFD	2	10	12
PUMP STATION FIVE	D	RJQA	2	2	4
TAHNETA PASS	B	HECL	2	15	17
THOMPSON PASS	B	HEAT	2	6	8
TOLSONA	B	HHCJ	2	9	11
TONSINA	B	HEAG	2	8	10
TRAPPER CREEK ELEMETARY	B	HHAH	2	20	22
UNALAKLEET	C	RHQA	2	0	2

Next we look at the top 10 beat areas when you sort them by injury crash:

Total All Years (01-05) Sorted By Injury					
Beat Description	Det	Beat	Fatal	Injury	Combined
WASILLA	B	HECE	35	697	732
ESTER	D	HJBF	8	365	373
RICHARDSON	D	HJJG	6	304	310
PALMER	B	HECF	5	218	223
STEESE MOBILE	D	HJMF	7	178	185
MUSK OX SUBDIVISION	D	HJCD	6	156	162
STERLING	E	HDQF	10	155	165
SEWARD HWY	E	UEBA2	14	143	157
NIKISHKI	E	HDQL	6	125	131
COOPER LANDING	E	HDSF	9	119	128

Next we look at the top 10 beat areas when you sort them by the combined number of injury and fatal crashes:

Total All Years (01-05) Sorted By Combined					
Beat Description	Det	Beat	Fatal	Injury	Combined
WASILLA	B	HECE	35	697	732
ESTER	D	HJBF	8	365	373
RICHARDSON	D	HJJG	6	304	310
PALMER	B	HECF	5	218	223
STEESE MOBILE	D	HJMF	7	178	185
STERLING	E	HDQF	10	155	165
MUSK OX SUBDIVISION	D	HJCD	6	156	162
SEWARD HWY	E	UEBA2	14	143	157
NIKISHKI	E	HDQL	6	125	131
COOPER LANDING	E	HDSF	9	119	128

Next we will look at detachment totals in the same order, all years - sorted by fatals, then by injuries, then by combined:

By Fatal (01-05)			
Det	Fatal	Injury	Combined
B Total	84	1550	1634
D Total	65	1437	1502
E Total	64	1323	1387
C Total	22	196	218
A Total	7	174	181
Grand Total	242	4680	4922

By Injury (01-05)			
Det	Fatal	Injury	Combined
B Total	84	1550	1634
D Total	65	1437	1502
E Total	64	1323	1387
C Total	22	196	218
A Total	7	174	181
Grand Total	242	4680	4922

By Combined (01-05)			
Det	Fatal	Injury	Combined
B Total	84	1550	1634
D Total	65	1437	1502
E Total	64	1323	1387
C Total	22	196	218
A Total	7	174	181
Grand Total	242	4680	4922

Next we look at just FY05 data.

First is a sort by fatals that shows the top 4 beat areas for fatals. There isn't a top 5 because it drops to zero after these beat areas:

FY 2005 Sorted By Fatal			
Fatal	Injury	Combined	Beat Description
5	144	149	WASILLA
3	68	71	RICHARDSON
3	21	24	SEWARD HWY
3	29	32	MUSK OX SUBDIVISION
2	23	25	STERLING
2	34	36	STEESE MOBILE
2	20	22	COOPER LANDING
2	9	11	SEWARD
2	17	19	DELTA JUNCTION
2	11	13	NINILCHIK
2	0	2	PUMP STATION FIVE
1	71	72	ESTER
1	16	17	NIKISHKI
1	11	12	KASILOF
1	14	15	SILVERTIP
1	11	12	NENANA
1	19	20	BUTTE
1	14	15	TALKEETNA
1	10	11	GLENN HIGHWAY
1	15	16	CANTWELL
1	10	11	ANCHOR POINT
1	6	7	SUTTON
1	8	9	HEALY
1	1	2	TAHNETA PASS
1	1	2	FORT GREELY
1	3	4	BIRCH LAKE
1	3	4	TAZLINA
1	1	2	TOLSONA
1	1	2	KODIAK COAST GUARD
1	0	1	SOURDOUGH
1	2	3	PAXSON
1	0	1	GALENA
1	0	1	COFFMAN COVE
1	0	1	UNALAKLEET

Next - top 10 by injuries:

FY 2005 Sorted By Injury			
Fatal	Injury	Combined	Beat Description
5	144	149	WASILLA
1	71	72	ESTER
3	68	71	RICHARDSON
0	46	46	PALMER
2	34	36	STEESE MOBILE
3	29	32	MUSK OX SUBDIVISION
0	25	25	KALIFONSKY
2	23	25	STERLING
3	21	24	SEWARD HWY
2	20	22	COOPER LANDING

Next - top 10 by combined:

FY 2005 Sorted By Combined			
Fatal	Injury	Combined	Beat Description
5	144	149	WASILLA
1	71	72	ESTER
3	68	71	RICHARDSON
0	46	46	PALMER
2	34	36	STEESE MOBILE
3	29	32	MUSK OX SUBDIVISION
0	25	25	KALIFONSKY
2	23	25	STERLING
3	21	24	SEWARD HWY
2	20	22	COOPER LANDING

As you can see, the Seward Highway beat area is not our greatest challenge - nor is E Detachment. Our hardest hit areas are in B and D Detachments with the Wasilla beat area clearly an area requiring attention.

This is not to slight the Seward Highway as insignificant by any means - it is obviously in the top 10 in every view of the data.

It is important to note that, when looking at the first table - all years sorted by fatal - the stretch of highway represented by the 2nd, 3rd and 4th highest beat codes - from Anchorage to Soldotna - are well represented as significant contributors to the overall total. It is also important to note that the total of these three combined is still less than the total in one beat area - Wasilla.

Next we will look at FY06 year to date. This is a list of the top 4 beat areas when you sort by number of fatality accidents only. There isn't a top 10 because it drops to zero after these beat areas:

FY 2006 Year To Date Sorted By Fatal				
Beat Description	Beat	Fatal	Injury	Combined
WASILLA	HECE	6	102	108
PALMER	HECF	3	34	37
SEWARD HWY	UEBA2	3	17	20
RICHARDSON	HJJG	2	33	35
STERLING	HDQF	2	23	25
NINILCHIK	HDQC	2	5	7
HEALY	HHJA	1	13	14
STEESE MOBILE	HJMF	1	13	14
SILVERTIP	HDSG	1	8	9
NANCY	HEBN	1	5	6
WILLOW	HEKB	1	5	6
MOUNTAIN VILLAGE	REWD	1	1	2
SUTTON	HEBS	1	1	2
ATKA	RBDA	1	0	1
DOT LAKE	HCHA	1	0	1

Next we look at the top 10 beat areas when you sort them by injury crash:

FY 2006 Year To Date Sorted By Injury				
Beat Description	Beat	Fatal	Injury	Combined
WASILLA	HECE	6	102	108
ESTER	HJBF	0	40	40
PALMER	HECF	3	34	37
RICHARDSON	HJJG	2	33	35
STERLING	HDQF	2	23	25
SEWARD HWY	UEBA2	3	17	20
MUSK OX SUBDIVISION	HJCD	0	16	16
SOLDOTNA	HDQD	0	16	16
DELTA JUNCTION	HJJB	0	14	14
HEALY	HHJA	1	13	14
STEESE MOBILE	HJMF	1	13	14
GLENN HIGHWAY	UEBA3	0	13	13
BUTTE	HEBU	0	12	12
KALIFONSKY	HDQK	0	12	12

Next we look at the top 10 beat areas when you sort them by the combined number of injury and fatal crashes:

FY 2006 Year To Date Sorted By Combined				
Beat Description	Beat	Fatal	Injury	Combined
WASILLA	HECE	6	102	108
ESTER	HJBF	0	40	40
PALMER	HECF	3	34	37
RICHARDSON	HJJG	2	33	35
STERLING	HDQF	2	23	25
SEWARD HWY	UEBA2	3	17	20
MUSK OX SUBDIVISION	HJCD	0	16	16
SOLDOTNA	HDQD	0	16	16
DELTA JUNCTION	HJJB	0	14	14
HEALY	HHJA	1	13	14
STEESE MOBILE	HJMF	1	13	14
GLENN HIGHWAY	UEBA3	0	13	13
BIJTTE	HEBU	0	12	12
KALIFONSKY	HDQK	0	12	12

Next we look at fatality crashes in the beat codes that make up the Seward Highway from its origin in Seward to the end of the Trooper area at McHugh Creek where the highway enters the area covered by the Anchorage Police Department. We also look at the Sterling Highway from its origin at the Seward "Y" to the point where it enters the City of Soldotna. Each stretch of roadway represented by multiple beat codes is compared to the single MatSu area beat code called "WASILLA". The Wasilla beat code represents approximately 10 miles of the Parks Highway from mile 38 to mile 51, excluding mile 41 to mile 44 which is within the City of Wasilla. The beat does cover some parts of some other roadways but nearly all of the fatal accidents within this beat code are on the Parks Highway.

As you can see - the entire Seward Highway is less deadly than a single MatSu area beat code that represents a relatively short section of highway.

Seward Highway Beats	Beat Code	From Mile	To Mile	FY01	FY02	FY03	FY04	FY05	FY06	
Seward	HDSA	0	18	0	0	0	1	2	0	
Lawing/Crown Point	RDTI	19	27	0	0	2	0	0	0	
Moose Pass	HDSB	28	47	1	0	0	0	0	0	
Silvertip	HDSG	48	74	0	1	1	0	1	1	
Seward Hwy	UEBA2	75	112	4	0	3	4	3	3	Grand Total
Total				5	1	6	5	6	4	27
Wasilla	HECE			8	5	11	6	5	6	41

Sterling Highway (Seward Y to Soldotna)	Beat Code	From Mile	To Mile	FY01	FY02	FY03	FY04	FY05	FY06	
Cooper Landing	HDSF	38	65	1	3	1	2	2	0	
Sterling	HDQF	66	90	2	2	2	2	2	2	Grand Total
Soldotna	HDQD	91	106	0	1	0	0	0	0	Total
Total				3	6	3	4	4	2	22
Wasilla	HECE			8	5	11	6	5	6	41

If you look at the combined fatal + injury incident numbers the comparison becomes even more telling.

Seward Highway Beats	Beat Code	From Mile	To Mile	FY01	FY02	FY03	FY04	FY05	FY06	
Seward	HDSA	0	18	19	13	16	14	11	5	
Lawing/Crown Point	RDTI	19	27	6	1	5	3	4	1	
Moose Pass	HDSB	28	47	7	14	7	6	7	11	
Silvertip	HDSG	48	74	8	12	19	14	15	9	Grand Total
Seward Hwy	UEBA2	75	112	37	20	36	40	24	20	
			Total	77	60	83	77	61	46	404
Wasilla	HECE			133	133	155	162	149	108	840

Sterling Highway (Seward Y to Soldotna)	Beat Code	From Mile	To Mile	FY01	FY02	FY03	FY04	FY05	FY06	
Cooper Landing	HDSF	38	65	32	27	32	15	22	8	
Sterling	HDQF	66	90	41	28	29	42	25	25	Grand Total
Soldotna	HDQD	91	106	23	19	26	32	15	16	
			Total	96	74	87	89	62	49	457
Wasilla	HECE			133	133	155	162	149	108	840



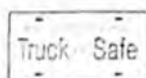
Highway Safety Corridors Reduce Motor Vehicle Injuries and Fatalities

*A Review of Initiatives in the U.S. and
B.C.*



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SECTION I – Highway Safety Corridors

Safety corridors are stretches of highways or paved roads plagued by frequent motor vehicle accidents, injuries, and fatalities. They are deemed dangerous because extreme topography and weather situations combine with other factors such as driver inattention, inexperience, and distractions to create unfavourable driving conditions. Designated highway safety corridors are labelled with signs to warn drivers of the risks involved in driving on them, and to inform drivers about efforts to enforce traffic laws and increased vehicle inspections.

Highway safety corridors have been established in a number of U.S. states, including California, New Jersey, New Mexico, Oregon, Pennsylvania, Virginia, and Washington. Each state has its own set of regulations and requirements to designate a highway safety corridor, but they share a common objective—to lower the number of accidents, injuries, and deaths on dangerous sections of highways.

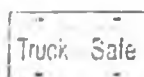
While other countries do not have formal safety corridor programs, some (such as Australia and New Zealand) analyze existing highway safety problems using a Road Safety Audit (RSA).

Highway Safety Corridor Components

Designation

Designating a section of highway as a safety corridor is based on specific criteria. Each of the U.S. states that have established a highway safety corridor program uses different measurements to designate safety corridors.

Common factors used to select portions of highways include roadways with high degrees of occurrence of accidents, injuries, and fatalities (see Appendix 1 – Designation Criteria Table).



Enforcement

All current highway safety corridor programs have a form of enhanced law enforcement. Enhanced enforcement includes an increase in fines for moving violations such as speeding, tailgating, and changing lanes improperly.

Oregon and California doubled moving violations within a highway safety corridor. Virginia's maximum fines for speeding in a safety corridor are \$500, and reckless driving and driving under the influence fines are \$2,500. The rationale is that significantly larger fines will curb unsafe driving practices. Other states, such as Washington and North Carolina, have not increased fines in highway safety corridors; but they still provide enhanced enforcement.

Education

A vital component of a highway safety corridor program is educating drivers about its importance. Education is not limited to drivers. It can also include community groups and local police departments with an interest in truck and road safety. Agencies coordinating highway safety corridor programs will often use the media to educate drivers about the corridors—what they are and how they work.

Roadside signs alert drivers to when they are driving in a designated corridor. Along the way, signage reminds truck and other drivers of dangerous corners, grades, or blind spots.

Coordination

U.S. corridor programs use a multi-disciplinary approach. Local stakeholders are involved in the selection, enforcement, and education of highway safety. In Oregon, the state department of transportation works in cooperation with enforcement, education, media, and community groups to develop and implement a safety corridor in the local area. Such involvement brings broader ownership and creates incentive for the program to be successful and effective.

Figure 1: Highway Safety Corridor Road Signage

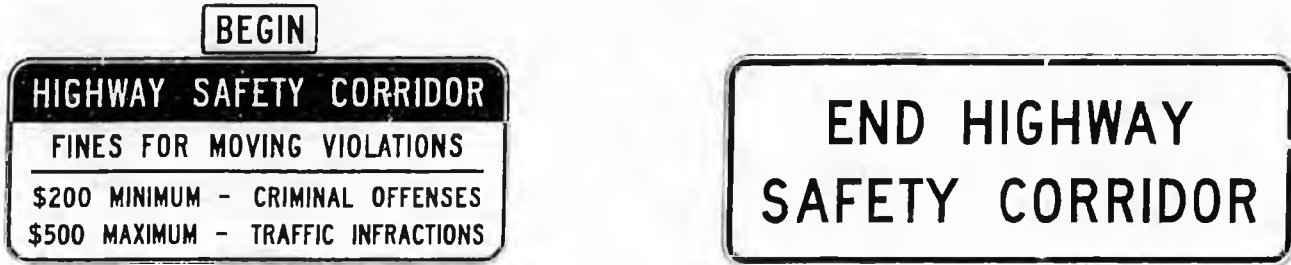
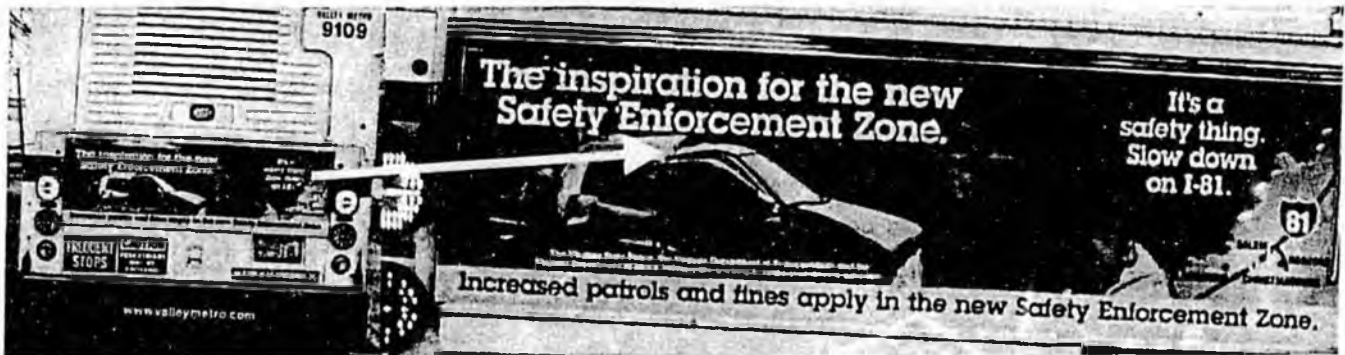


Figure 2: Examples of Educational Methods and Materials



Stay Alert

Don't Get Hurt

- Slow down.
- Don't talk on a cell phone.
- Don't drink and drive, always designate a driver.
- Watch for slow moving trucks.
- Merge early and drive, always designate a driver.
- Watch for curves in the road.
- Always buckle up.

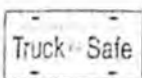
Interstate 8
Highway Safety Corridor

The inspiration for the new Safety Enforcement Zone.

Increased patrols and fines apply in the new Safety Enforcement Zone.

It's a safety thing. Slow down on I-81.

Give a Minute
Save a
Life!



SECTION II – Safety Corridor Objectives and Selection Requirements

Objectives

There are a number of **objectives** inherent in successful highway safety corridor programs:

- To reduce the incidence of collisions that result in injury or loss of life
- To educate truck drivers and drivers about safe driving practices, particularly in the safety corridors
- To implement engineering improvements to improve safety along highway corridors
- To enhance and target enforcement of moving violations in the highway safety corridor

For these objectives to be met, collaboration between various levels of government and agencies is essential. Programs based in the United States have succeeded because of cooperation between state and local governments, enforcement authorities, regulatory agencies, media organizations, and community groups. Each participating group helps fulfill some aspect of the overall objectives (listed above).

Of particular importance is community involvement, where businesses and local governments are part of the education and enforcement aspects of the safety corridor program. For example, a high level of community involvement could prompt law enforcement agencies to offer extra patrols or media organizations to broadcast messages about safe driving practices.

Public hearings provide an appropriate way for people to express their concern and support for a safety corridor project. These hearings can also identify members of the community who would be willing to participate in a highway safety corridor taskforce, which could also include government representatives, school officials, and representatives of safety groups.

Selection Requirements

Limited funding sometimes allows only a few corridors to be designated at a time. Because of this, strong community involvement and local agency funding are key to the selection and maintenance of a corridor system.

Experience from the safety corridor programs currently running in the U.S. has shown that successful programs must meet the following requirements:

- A selection process for nominating corridors, which includes a designated overseeing agency
- A defined set of selection criteria to determine what portions of highways will be designated as safety corridors
- A review process to measure the effectiveness of highway corridors and to ensure they achieve objectives
- A commitment from government authorities to improve highway engineering along designated corridors
- A commitment from enforcement officials to patrol for traffic offenders and enforce fines along safety corridors
- An educational program that provides information to truck drivers and other drivers about safety corridors

Effectiveness of Highway Safety Corridors

While the structure and administration of highway safety corridors take many forms, studies conducted by U.S. agencies show that, regardless of form, the overall effect of the corridors is a lower rate of accidents and a higher rate of safety.

A 2001 report from the Oregon State University Transportation Research Institute states that truck-at-fault crashes for 1999-2000 decreased 11 percent on Oregon's highway safety corridors, and crashes for 2000-2001 decreased 39 percent. Through the two periods, there was an overall decrease of 45 percent in truck-at-fault crashes.

Virginia's first highway safety corridor, established in 2004, occurred on a major trucking corridor (approximately 30 percent trucks in the traffic stream) in a mountainous area. As a result of this program, crash data from the first nine months of the program should approximate a 15 percent decrease in the total number of crashes and a 45 percent decrease in the number of injury/fatal crashes.

(See Table 1 for a summary of the impact of highway safety corridors.)

Table 1 – Summary of Highway Safety Corridor Effectiveness

State	Date Initiated	Program Description	Program Impact
California	1992	Safety corridors with increased fines	<ul style="list-style-type: none"> • Collision rates reduced 11% to 37% • Injury collision rates reduced 13% to 47%
Washington	1993	Safety corridors without increased fines	<ul style="list-style-type: none"> • Collision rates reduced 9% to 30% per corridor
Oregon	2001	Safety corridors with increased fines	<ul style="list-style-type: none"> • Truck-at-fault collision rate reduced 45%

(Sources: Virginia Transportation Research Council, *Highway Safety Corridors: National Experiences and a Possible Framework for Virginia*, April 2003 Oregon State University Transportation Research Institute, *Evaluation of Oregon's Commercial Vehicle Safety Plan for FFY-01, Final Report*, December 2001.)

SECTION III – Truck Safety Corridors in B.C.

The trucking industry is a valuable contributor to the economy of B.C. and Canada. In 2002, the industry contributed 5.4 percent of the province's gross domestic product and accounted for 15.7 percent of the country's commercial transportation sector. Unfortunately when trucking incidents or motor vehicle accidents occur, everyone is affected, directly or indirectly. Directly, the result leaves a significant impact on the trucking industry, through loss of life, money, and reputation. And indirectly consumers are affected through the increased price of transported goods.

Research on U.S. highway safety corridors was of particular interest to British Columbia in considering the development of truck safety corridors for the province.

The Canyon Truck Safety Corridor



The Fraser Canyon (the "Canyon" as it's referred to by locals) is the gateway to the east and north of B.C., and spans 192 kilometres of the most scenic highway in Canada. The Canyon, which was the beginning of the historic Gold Rush Trail, follows the mighty Fraser River through Hell's Gate and beyond.

This magnificent highway requires an alert, cautious driver familiar with the requirements of driving in adverse conditions, including steep hills, tight curves, and all types of weather and

Truck-Safe

road conditions.

In 1997, the Fraser Canyon Traffic Safety Committee was formed to act as an advisory group to deal with safe transportation and obtain input from communities and agencies that work and reside along this highway. This group believed that one of the most significant causes of serious and fatal collisions was aggressive driving. A project team was formed to research methods of addressing the needs in the Canyon. As a result of the findings, the Fraser Canyon Watch program was developed.

The Fraser Canyon Watch program was established in 2000. It was modelled after other successful "Record and Report" programs in B.C. The program involved partnerships with police, local and provincial governments, Insurance Corporation of British Columbia (ICBC), Telus, businesses, and all local communities. Posters and stickers were developed and installed in phone booths, truck stops, restaurants, and all points of business. In 2003, highway signs were erected to alert motorists to record and report aggressive driving behaviour to the police.

This highway does not have cell phone coverage, and the program encouraged motorists who witnessed aggressive driving behaviour to record information, pull into one of the community's businesses, and call 1-888-801-8884. Hope Royal Canadian Mounted Police (RCMP) Highway Patrol committed resources to house the telephone line and follow up on information received.

Early in 2004, the committee noted an increase in the crash



Highway Safety Corridors Reduce Motor Vehicle Injuries and Fatalities – September 2005

rate and, as a result, the Fraser Canyon Truck Crash Review Committee (FCTCRC) was formed to review the available statistics. The committee was then asked to conduct further research and develop a plan for reducing the number of incidents in the Canyon.

The collision histories of Highway 1 (Hope to Cache Creek), Highway 3 (Hope to Princeton), and Highway 5 (Hope to Merritt), from 1996–2002 were compared. Research revealed that Highway 1 had the highest number of truck-related incidents resulting in serious injury and fatality.

Based on a three-E approach (Engineering, Education, and Enforcement), the following actions were taken as a result of activities by the Fraser Canyon Traffic Safety Committee and the Fraser Canyon Truck Crash Review Committee:

- ICBC provided funding for shoulder rumble strips and other road improvements, including roadside delineation, roadside barricades, and overhead rollover signs. ICBC also commissioned studies for engineering improvements at specific collision sites.
- The RCMP's Fraser Valley Traffic Services Department and Southern Interior Traffic Services (in Ashcroft) increased enforcement, focusing on speed and aggressive driving in critical areas with a proven collision history.
- The Commercial Vehicle Safety and Enforcement Branch of the Ministry of Public Safety and Solicitor General scheduled more vehicle safety checks.
- The Ministry of Transportation moved and changed speed advisory signs, and performed the roadwork funded through ICBC.

- WorkSafeBC has coordinated development of a Canyon Hazards survey for truck drivers and an awareness and education plan.

These actions are the first steps in forming B.C.'s and Canada's first truck safety corridor. Plans are being made to implement key steps in creating the corridor, including:

- Refining its review process to measure the effectiveness of truck safety corridor
- Continuing to work with ICBC and Ministry of Transportation to improve highway engineering along the canyon
- Publicizing the RCMP's commitment to patrol for traffic offenders along the corridor
- Developing an educational program that provides information to truck drivers and other drivers about the canyon truck safety corridor.

The long-term plan is to use the canyon as model for other truck safety corridors in the province. TruckSafe believes that implementing initiatives such as this will have direct impact on serious injuries and deaths among all of BC's road users.



Figure 3: Example of a shoulder rumble strip

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East, Amy and Paul Montagne. *Evaluation of Oregon's Commercial Vehicle Safety Plan for FFY-01, Final Report*. Oregon State University Transportation Research Institute. December 2001.

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Fontaine, Michael D. *Highway Safety Corridors: National Experiences and a Possible Framework for Virginia*. Virginia Transportation Research Council. April 2003.

Web links for California Highway Safety Corridor Program

www.chp.ca.gov/html/corridor.html

www.chp.ca.gov/html/hwy4.html

www.chp.ca.gov/html/interstate8.html

Web links for New Jersey's Highway Safety Corridor Program

<http://www.state.nj.us/transportation/press/2003releases/052203a.htm>

<http://www.i95coalition.org/whats-new.html>

Web links for New Mexico's Highway Safety Corridor Program

http://www.nhtsa.dot.gov/people/outreach/safedige/Fall2003/Fall03_W07_NM.htm

http://nmshtd.state.nm.us/upload/contents/436/safety_corridor.pdf

Web links for Oregon's Highway Safety Corridor Program

www.oregon.gov/ODOT/MCT/SAFETY.shtml

www.oregon.gov/ODOT/HWY/REGION1/

Web links for Pennsylvania's Highway Safety Corridor Program

www.pacode.com/secure/data/067/chapter214/chap214toc.html

www.dot.state.pa.us/pennidot/districts/district4.nsf/041020-s3-corridor-fine-.htm

www.poonorecord.com/local/rxf54536.htm

www.dailyitem.com/archive/2004/0202/local/stories/06local.htm

Web links for Virginia's Highway Safety Corridor Program

www.virginiadot.org/comtravel/ct-highway-safety-corridor.asp

www.virginiadot.org/comtravel/ct-highway-safety-des-zones.asp

www.virginiadot.org/comtravel/ct-highway-safety-corridor-data.asp

www.virginiadot.org/comtravel/ct-highway-safety-corridor-criteria.asp

Web links for Washington's Highway Safety Corridor Program

www.wsdot.wa.gov/commission/news/2003/CorridorSPRecog.htm

www.wsdot.wa.gov/regions/olympic/communications/archived/tips/?refname=20040813%20Olympia%20Traffic%20Cameras,%20SR%207%20Safety%20Meetings,%20New%20Tacoma%20Striping.html

Appendix 1 – Designation Criteria Table

State	Designation Criteria Used
<p>California</p>	<p>Authority and Responsibility:</p> <ul style="list-style-type: none"> • State Legislature <p>Selection Criteria:</p> <ul style="list-style-type: none"> • No clear set of standards has been applied to designate safety corridors <p>Highway Safety Corridor Review Criteria:</p> <ul style="list-style-type: none"> • Unavailable <p>Decommissioning Criteria:</p> <ul style="list-style-type: none"> • Unavailable
<p>New Jersey</p>	<p>Authority and Responsibility: New Jersey's Commissioner of Transportation</p> <p>Selection Criteria:</p> <ul style="list-style-type: none"> • Selection of a highway safety corridor is based on study of: <ul style="list-style-type: none"> ▪ Accident rates ▪ Fatalities ▪ Traffic volume ▪ Other highway traffic safety criteria <p>and recommendations made by New Jersey's "Safety Impact Teams"</p> <p>Highway Safety Corridor Review Criteria:</p> <ul style="list-style-type: none"> • Department of Transportation monitors highway data over a one-year period to chart progress <p>Decommissioning Criteria:</p> <ul style="list-style-type: none"> • Unavailable

State	Designation Criteria Used
<p>New Mexico</p>	<p>Authority and Responsibility: New Mexico Department of Transportation</p> <p>Selection Criteria:</p> <ul style="list-style-type: none"> • Engineering studies are used to determine the need for safety zones based on crash and fatality data. • State and local law enforcement, district engineers, and emergency medical, and fire service personnel analyze crash rates and other local data. • Problem roadway segments are identified, ranked, and partitioned according to the appropriate Transportation District. • District program managers work with local law enforcement to initiate a Safety Corridor STEP which may include special safety corridor signing, radar speed signs, double fines, increased visible traffic enforcement, and a focused public information and education campaign. <p>Highway Safety Corridor Review Criteria:</p> <ul style="list-style-type: none"> • Projects run on a three-year review cycle with a focus on reducing crashes and fatalities in the targeted locations. <p>Decommissioning Criteria:</p> <ul style="list-style-type: none"> • Unavailable
<p>Oregon</p>	<p>Authority and Responsibility:</p> <ul style="list-style-type: none"> • Oregon's Department of Transportation <p>Selection Criteria:</p> <ul style="list-style-type: none"> • Selection is based on: <ul style="list-style-type: none"> ▪ A three-year average of vehicle collisions that is 110 percent above the three-year state average for similar types of highways ▪ A priority from local or state police to add at least 50 extra hours a month of enforcement on the corridor ▪ A decision on the length of the corridor that is manageable for enforcement and education, generally between four to 30 miles <p>Highway Safety Corridor Review Criteria:</p> <ul style="list-style-type: none"> • Department of Transportation reviews corridors that have been nominated by outside stakeholders, and once a corridor has been designated, its status is reviewed every year <p>Decommissioning Criteria:</p> <ul style="list-style-type: none"> • Once a safety corridor's three-year collision rate drops below 110 percent of the state collision average, then the corridor is decommissioned, with the agreement of local stakeholders

State	Designation Criteria Used
<p>Pennsylvania</p>	<p>Authority and Responsibility:</p> <ul style="list-style-type: none"> • Pennsylvania's Department of Transportation <p>Selection Criteria:</p> <ul style="list-style-type: none"> • Traffic incidents and engineering investigations, where a five-year period of crashes exceeds the number or rate of crashes for similar highways • Safe requirement, needed for patrolling by enforcement officers and stopping violators, and a written commitment from police agencies to provide sustained enforcement activity <p>Highway Safety Corridor Review Criteria:</p> <ul style="list-style-type: none"> • Unavailable <p>Decommissioning Criteria:</p> <ul style="list-style-type: none"> • Unavailable
<p>Virginia</p>	<p>Authority and Responsibility:</p> <ul style="list-style-type: none"> • Virginia's Department of Transportation in conjunction with Virginia State Police and the Department of Motor Vehicles <p>Selection Criteria:</p> <ul style="list-style-type: none"> • Selection of a highway safety corridor is based on: <ul style="list-style-type: none"> ▪ Crash frequency (which, weighted by severity, should be 50 percent above the regional average for the highway system) ▪ Overall vehicle crash rate (which should be at least 25 percent above the regional average for the highway system) ▪ Truck involved crash rate (which should exceed the average crash rate for that region for all vehicles on the highway system) ▪ Enforcement capability ▪ Roadway characteristics <p>Highway Safety Corridor Review Criteria:</p> <ul style="list-style-type: none"> • Commissioner of program holds at least one public hearing that is held at least 30 days before a designation is implemented <p>Decommissioning Criteria:</p> <ul style="list-style-type: none"> • One year after initial designations have been created, the Department of Transportation will establish criteria to decommission a safety corridor

State	Designation Criteria Used
Washington	<p>Authority and Responsibility:</p> <ul style="list-style-type: none">• Washington Traffic Safety Commission in conjunction with Virginia State Police and the Department of Motor Vehicles <p>Selection Criteria:</p> <ul style="list-style-type: none">• Washington Traffic Safety Commission works in collaboration with the Department of Transportation and Washington State Patrol to select corridors <p>Highway Safety Corridor Review Criteria:</p> <ul style="list-style-type: none">• Safety program uses low-cost engineering improvements and local partnerships to develop plans for education, enforcement, and engineering <p>Decommissioning Criteria:</p> <ul style="list-style-type: none">• Unavailable

Appendix 2 – Fraser Canyon Truck Crash Review Committee

Member	Organization
Delwyn Drew	RCMP
Barry Eastman	Ministry of Transportation
Lance Labby	Human Resources and Skills Development Canada – Labour Programs
Paul Landry	British Columbia Trucking Association
Pam McDermid	Commercial Vehicle Safety and Enforcement
Greg Mulvihill	Bobell Group of Companies
Warren Nelson	RCMP (Retired)
Jane Player	WorkSafeBC (Workers' Compensation Board of British Columbia)
Fergus Savage	Insurance Corporation of British Columbia
Roberta Sheng-Taylor	WorkSafeBC (Workers' Compensation Board of British Columbia)
Kathy Tull	WorkSafeBC (Workers' Compensation Board of British Columbia)
Al Stott	RCMP
Suzanne Watson	National Safety Code
Mike Weightman	Insurance Corporation of British Columbia
Marlene Yemchuk	Human Resources and Skills Development Canada – Labour Programs

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GOVERNOR
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SB261
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JUNEAU, ALASKA 99811-0001
(907) 465-3500
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STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

January 31, 2006

The Honorable Ben Stevens
President of the Senate
Alaska State Legislature
State Capitol, Room 111
Juneau, AK 99801-1182

Dear President Stevens:

Under the authority of art. III, section 18, of the Alaska Constitution, I am transmitting a bill relating to the designation of traffic safety corridors; and relating to the bail or fine for an offense committed in a traffic safety corridor and to separately accounting for such fines.

This bill would authorize the Department of Transportation and Public Facilities to designate a portion of a highway to be a traffic safety corridor by posting signs at the beginning and end of the corridor. The designation would be made to promote traffic safety in that area.

The Alaska Supreme Court and each municipality would be required to provide that the scheduled amount of a fine or bail for a motor vehicle or traffic offense in a traffic safety corridor would be double the amount of the fine or bail if the offense had not been committed in a traffic safety corridor.

The provisions of AS 28.05.151(d) and AS 28.40.070 currently provide for double fines or bail for motor vehicle or traffic offenses in areas designated as highway work zones. These provisions would be amended by adding references to traffic safety corridors.

The bill also would provide for separate accounting for fines collected for traffic safety corridor offenses, and for appropriation of 50 percent of those collected fines to the Department of Transportation and Public Facilities, highway safety planning agency, for highway safety programs.

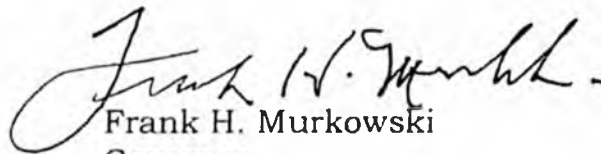
The bill would have an immediate effective date so that traffic safety corridors could be designated as soon as possible.

COMMITTEE COPY

The Honorable Ben Stevens
January 31, 2006
Page 2

I urge your prompt and favorable action on this measure.

Sincerely yours,


Frank H. Murkowski
Governor

Enclosure

SB 261 Highway Safety Corridors

- Safety corridors are stretches of state highways with an incidence of fatal or injury traffic accidents greater than the statewide average for that type of roadway. This bill proposes the establishment of safety corridors that will have
 - Increased enforcement – which is the single most effective short term tool in reducing traffic accidents
 - Double fines with dollars returning from the courts to DOT to fund enforcement
 - Increased education
- Safety Corridors are
 - Relatively inexpensive to implement
 - Result in dramatic reductions
 - Can be easily reversed when the need no longer exists
- SB 261 requires that prior to establishing a safety corridor the DOT commissioner consult with:
 - Commissioner of Public Safety
 - Local traffic safety organizations
 - Resulting in commitment for greater enforcement in the corridor

House Judiciary

- 1. Added a new section 3 - adding a two-point penalty for illegal passing in a safety corridor. Unsafe passing is one of the characteristic bad driver behaviors. This change required a title change.**
- 2. Drafted a letter of intent asking that DOT place signs every 3 miles as opposed to every 5 miles in safety corridors. This includes work zone double fine corridors as well the safety corridors discussed in SB 261. The department's traffic manual is where DOT dictates distances for signs and since sign distances are not done in statute H JUD drafted the letter of intent. The department has no problems increasing signs and thereby educating drivers. We testified in H Fin that our signs would be every 3 miles.**

Info you probably don't need but just incase.

The reason we didn't double points throughout the bill was because speeding 20 miles over the speed limit results in a 6-point penalty. Doubling that would be 12 points and resulting in loss of drivers license. Speeding in a corridor would result in a harsher penalty than drunken driving (10 points). Following too closely, normally a 4-point infraction, would be 8 points and treated nearly as seriously as assault with a vehicle (10 points) or negligent homicide (10 points). Alaska Statute 28.40.050 provides that a single infraction should not result in a loss of license - no due process. The H Judiciary change just adds a couple of points to the one activity.

Proposed Criteria for Traffic Safety Corridor Selection

Ron Martindale & Scott Thomas 2-3-2006

The Alaska Legislature is currently considering new regulations that will create "Traffic Safety Corridors" on high accident routes in the State.

It is important to place these safety corridors where they are most needed. To that end, routes with significant numbers of fatal as well as major injury collisions may be the best candidates for this designation. The designation is best suited for major rural routes where typical patterns of fatal and major injury collisions (head on, for example) are segment based, while they are intersection based on urban roads

Routes with relatively few or random fatal crash events should not be designated in order to preserve the potential value and effectiveness of these designations.

Based on evaluation of fatal collision data from National Highway System Routes in the Central Region and other routes with higher numbers of fatal collisions, common concerns can be developed into recommended guidelines for safety zones. We also looked at traffic safety corridor guidelines in two other states to compare with our suggested criteria. These guidelines will need to be reviewed by the other two regions and the State Traffic Engineer. Routes evaluated to develop the suggested guidelines include:

- Seward Highway: Seward to Anchorage
- Sterling Highway: Seward Y Junction to Homer
- Parks Highway: Glenn Highway to MP 163 (Central Region Boundary)
- Glenn Highway: Anchorage to MP 118 (Central Region Boundary)
- Knik/Goose Bay Road: Parks Highway to Point McKenzie Road
- Eagle River Road: Old Glenn Highway to Eagle River Visitors Center
- East End Road (Homer): Pioneer/Lake Street to MP 22

There were 217 fatal accidents on these rural highways in the years 1994-2003. Crashes consist mostly of single vehicle run off the road, head on, rear end, and right angle collisions. Highway information and fatal accident statistics evaluated include:

Average Daily Traffic Volumes (10 year average)

Roadway segment character (Dividing highways into segments with similar roadway character)

Highway Segment Length

Fatal Accident Rates (fatal accidents per 100,000,000 vehicle/miles)

Fatal accidents per mile over a 10 year period

Fatal accident types:

- Head On (80 of 217 or 36.87%)
- Right Angle (14 of 217 or 6.45%)
- Rear End (10 of 217 or 4.61%)
- Single Vehicle run off the road (96 of 217 or 44.24%)
- Collisions with pedestrian or bicyclist (10 of 217 or 4.61 %)
- Collisions with Moose (7 of 217 or 3.23%)

For these statistics, segments that showed the highest degree of fatal collisions demonstrated several similar traffic characteristics. The following are some suggested criteria for selecting these safety corridors:

Average Daily Traffic Volumes. An average daily traffic volume of over 2000 vehicles/day, and

Highway Characteristics. Two lane two way facilities without medians (either raised or flush), and

Fatal Accident Rate. A fatal accident rate which exceeds either the US Average (1.46 in 2004) or a statewide average (1.709 for the Central Region routes listed earlier), and

Types of Fatal Collisions. More than 1/2 of the fatal collisions involve more than one vehicle (head on, right angle, rear end), in essence, where one driver is affecting another driver adversely, and

Logical Termini Highway Segments. Should be of similar character and begin and end at logical and identifiable locations on the highway. Highway segments should be continuous. For example, if a 10 mile segment meets these qualifications, the next 10 mile segment does not, and the next 10 mile segment again meets these qualifications, consideration should be given to making the entire 30 mile segment a Traffic Safety Corridor.

Other Considerations

The 3 E's (Engineering, Education & Enforcement)

In order for the Traffic Safety Corridors to be effective, a commitment to enforce the provisions of the corridor (double fines for violators, etc) will be required. Merely placing signs designating the corridor as a traffic safety corridor is not sufficient.

In addition, designation of a Traffic Safety Corridor should include an education campaign associated with the particular corridor citing crash statistics and crash characteristics for that corridor.

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Valley roads most deadly

SURVEY: DOT finds three sections near Wasilla worst in state.

By RINDI WHITE
Anchorage Daily News

Published: February 26, 2006
Last Modified: February 26, 2006 at 03:08 AM

WASILLA -- The Matanuska-Susitna Borough is home to the three most dangerous highway sections in Alaska, state officials say.

Eight people died in vehicle accidents between 2001 and 2005 on the seven-mile section of the Parks Highway from Church Road to a mile before Big Lake Road, according to statistics from the Department of Public Safety public information office. There were 10 fatalities on Knik-Goose Bay Road in that time frame and two on the Palmer-Wasilla Highway.

State officials ranked those three roadways Alaska's most dangerous after considering not only deaths but also the total numbers of major accidents, traffic density and total vehicle miles traveled on the roads.

The Seward Highway, between Potter Marsh and Portage, came next on the "most dangerous" list, although the number of accidents on that road increases seasonally, Department of Transportation traffic safety engineer Scott Thomas said Saturday.

State officials released the numbers at a hearing Saturday in Wasilla of the House and Senate transportation committees to discuss highway safety.

Gov. Frank Murkowski has introduced legislation in the House and Senate aimed at making roads with high accident rates safer. The legislation

[related](#) [more](#)



Wasilla

- City of Wasilla
- City Council
- Wasilla chamber of Commerce
- Multi-Use Sports Complex
- Library Hours
- News and Events

Other Matanuska-Susitna Links

- Mat-Su Borough
- Valley Real Estate Guide
- Mat-Su School District
- Mat-Su Recreational Services
- Mat-Su Convention and Visitors Bureau

Other cities

- Big Lake Chamber of Commerce
- Chickaloon Village Council
- City of Houston
- Talkeetna Chamber of Commerce
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ould create "traffic safety corridors" and double traffic fines for violations within the corridors. Murkowski's legislation doesn't specifically list which roads should receive the new designation.

Gordon Keith, Central Region director of DOT, said DOT employees began analyzing fatality and accident data when the legislation was still being prepared. They started with the Seward Highway -- which has been the subject of vivid media stories and emotional community discussions recently in the aftermath of several fatal accidents -- mapping out exactly where and how many fatal accidents happened along the road, what type of accident each was and whether alcohol or drugs were involved.

Thomas said DOT data showed the Seward Highway is deadly, but it isn't the worst road in the state.

"The Seward Highway is a seasonal highway" more than the three Mat-Su roadways, Thomas said. "These are all two-lane roads carrying more than 16,000 people."

Busy roads like the Glenn Highway might seem just as dangerous, but Thomas said accident rates on freeways and controlled-access roads like the Glenn Highway don't come close to the top four.

Overcrowding, he said, is a primary factor in higher accident rates. In Mat-Su, the fastest-growing area of the state, overcrowding is an issue in schools and neighborhoods. That it's also a factor on roads was no surprise to the roughly 40 borough residents who listened in on Saturday's meeting, where the corridor plan was discussed.

Mat-Su legislators pounced on the data showing Mat-Su roads as the most dangerous.

"We're fighting a (public relations) battle," said Rep. Bill Stoltze, R-Chugiak and vice chair of the House Finance Committee. Major news outlets, he said, have covered accidents on the Seward Highway extensively, while accidents in the Valley go unnoticed.

"Because it happens in the Valley, people have a harder time remembering our needs," Stoltze said.

If the traffic safety corridor idea becomes law, drivers could expect to see signs delineating the safety corridor as a double-fine area. Half the

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money collected in fines within the area would go toward DOT-run highway safety programs.

Keith said DOT is launching a "Chill out, it's still winter" public campaign next week, encouraging drivers to slow down and relax on busy roads.

Thomas said other measures to increase safety in the traffic corridors, including road engineering changes, are being considered. The traffic safety corridor proposal is modeled after similar laws passed in the Lower 48, he said. Some of those states use "do not pass" signs, rumble strips along the center line and mobile speed carts, or sensors that display the speeds of passing cars, Thomas said.

Increased enforcement is also part of the traffic corridor plan. Representatives from the Alaska State Troopers said they hope a recruiting campaign will yield more trooper candidates to help fill open positions. Sen. Charlie Huggins, R-Wasilla, said a new trooper office at Mile 49 Parks Highway, with about 25 troopers stationed there, should boost enforcement in that area.

Stoltze said safety corridors are only a short-term fix to a long-term problem. What will be needed, he said, are design improvements for every road designated as a safety corridor.

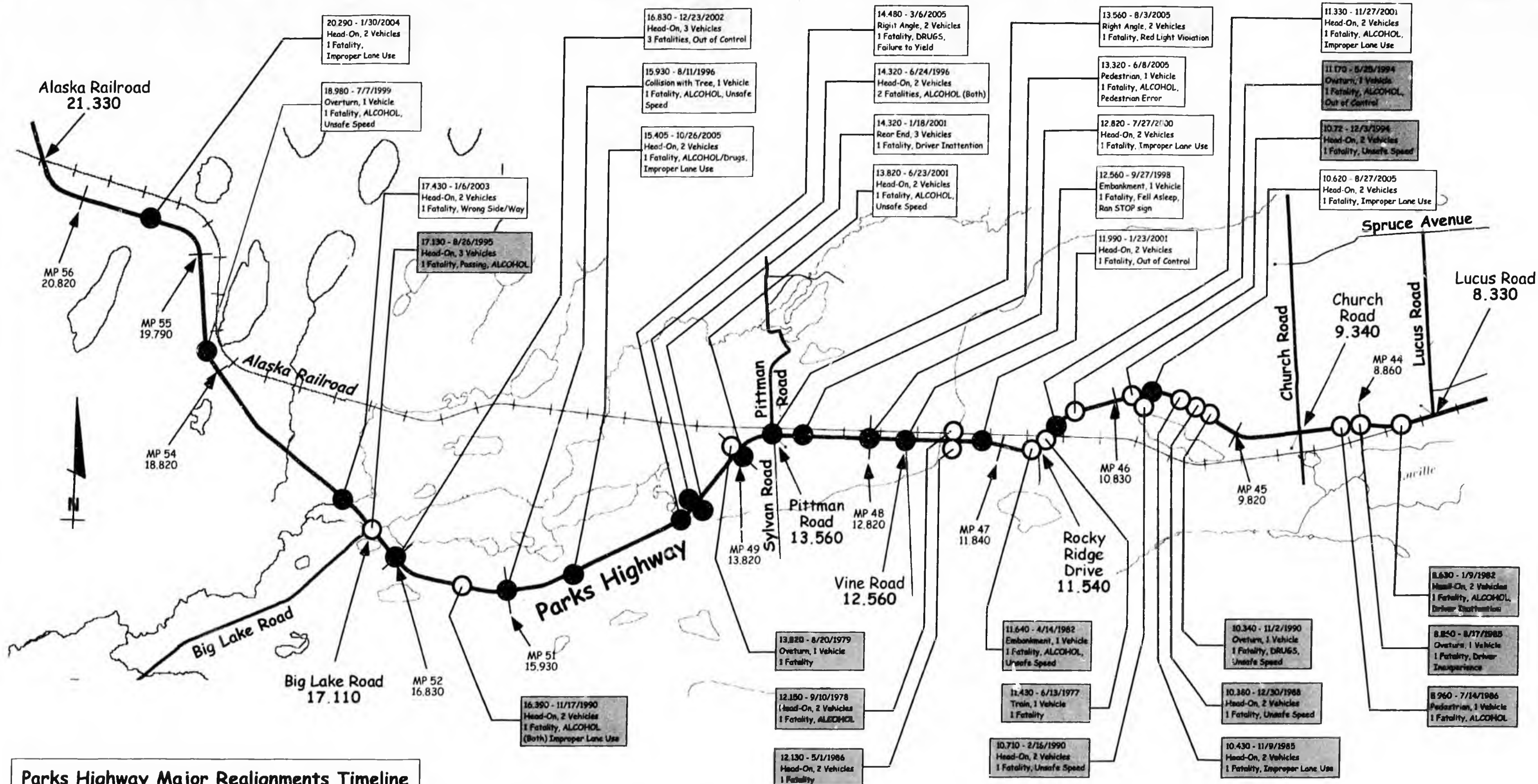
Road improvements helped the Seward Highway, Thomas said. Improvements between Bird Point and Girdwood have reduced traffic accidents there by 40 percent, he said.

Road improvements are on the way in Mat-Su, too. DOT held a meeting in Wasilla Thursday to discuss creating a four-lane road between Church Road and Big Lake Road, with construction tentatively set for 2010. Improvements such as more stoplights and turn lanes are scheduled over the next two years along the Palmer-Wasilla Highway.

DOT and the Alaska Railroad are working with the Mat-Su Borough and Wasilla to study a road and rail route around Wasilla, and legislators Saturday pledged to continue working to fund the Knik Arm bridge, which they said would route freight and through-traffic around congested areas.

PARKS HIGHWAY: LUCUS ROAD TO ALASKA RAILROAD - HOUSTON CROSSING (MP 56)

1977 - 2005 FATAL ACCIDENT LOCATIONS

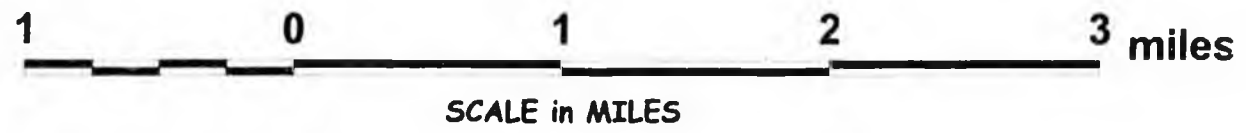


Parks Highway Major Realignments Timeline
 Milepost 44-52: Complete July, 1996
 Milepost 52-57: Complete July, 1998

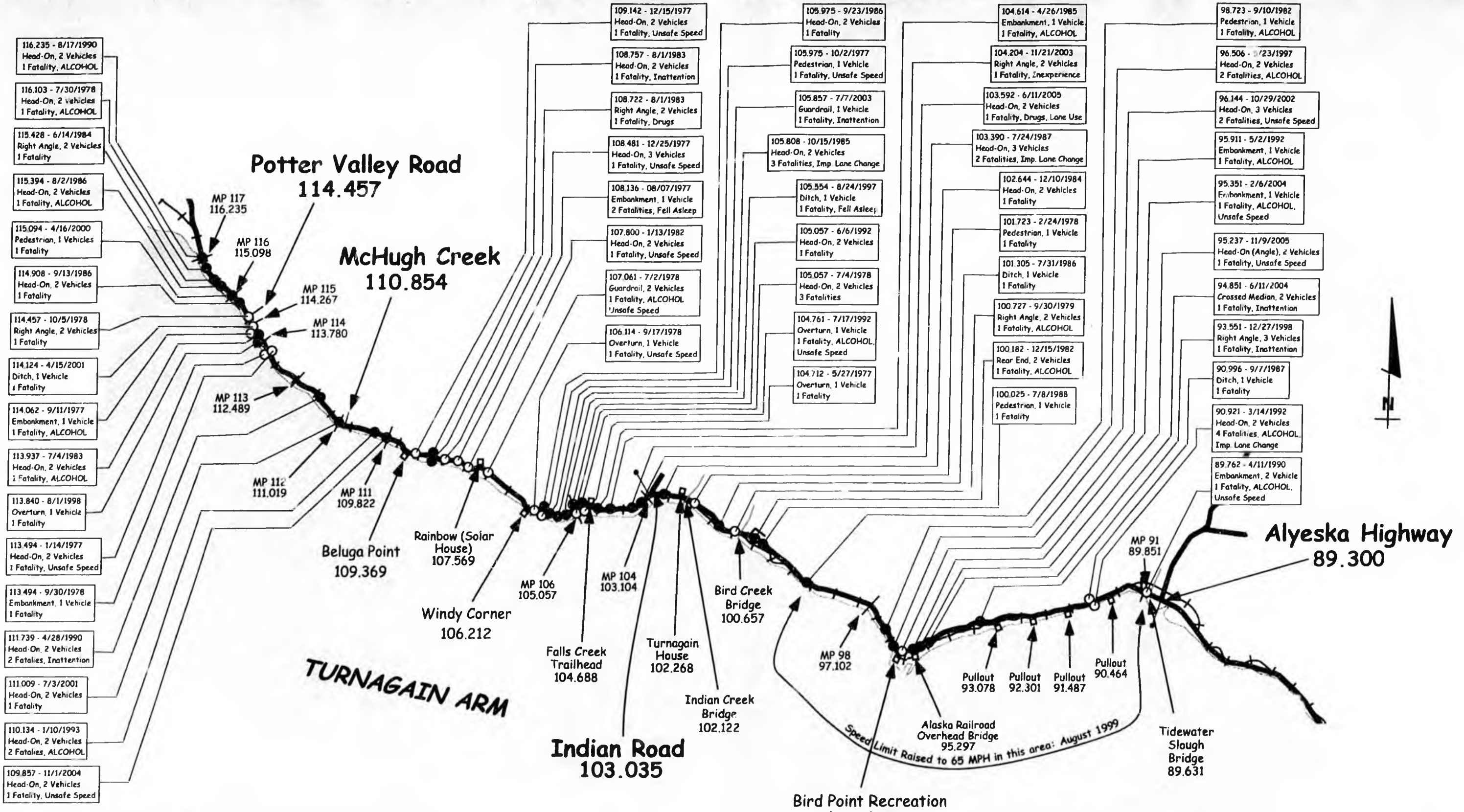
○ = Accident Occurred prior to Highway Realignment
 ● = Accident Occurred following Highway Realignment

Parks Highway Speed Limits

———— 55 Miles per Hour
 ———— 45 Miles per Hour



SEWARD HIGHWAY: POTTER MARSH TO GIRDWOOD 1977 - 2005 FATAL ACCIDENT LOCATIONS



Seward Highway Major Realignments Timeline

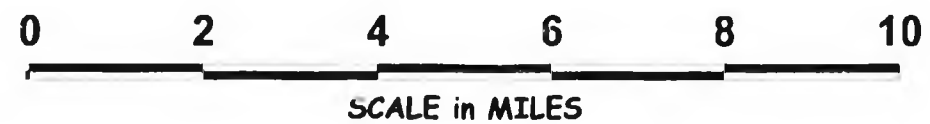
Potter South MP 111-115.2: Complete Fall, 1981

Bird Flats to MP 111: Complete October 1983

Bird Point to Girdwood: Complete June, 1996

○ = Accident Occurred prior to Highway Realignment

● = Accident Occurred following Highway Realignment

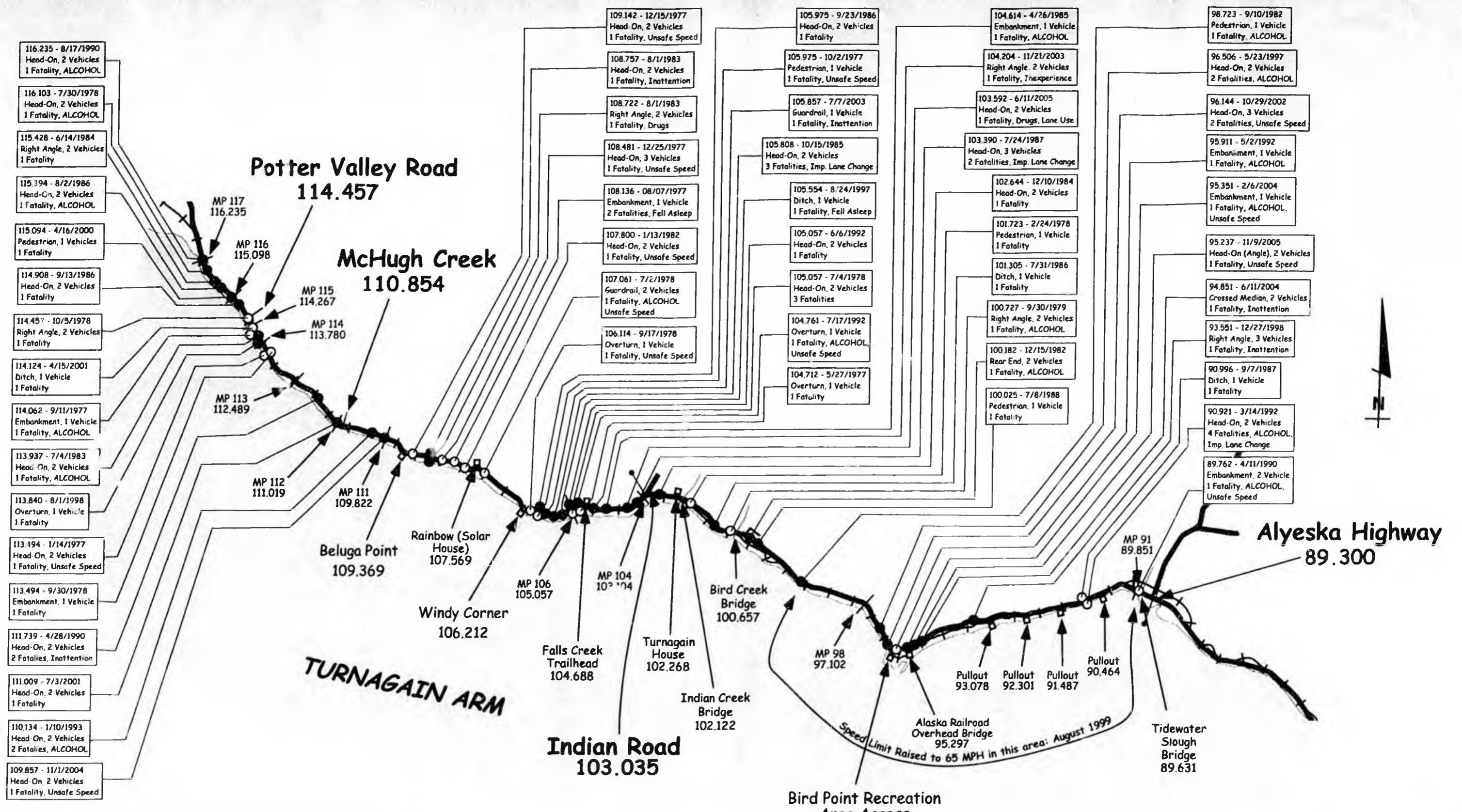


Seward Highway Speed Limit Revision Timeline

1977-August 1999: Entire Segment posted for **55 Miles per Hour**

August 1999: Portion of Seward Highway from 1800 Feet North of Alyeska Highway to 4300 Feet North of Milepost 98 Raised to **65 Miles per Hour**

SEWARD HIGHWAY: POTTER MARSH TO GIRDWOOD 1977 - 2005 FATAL ACCIDENT LOCATIONS



Seward Highway Major Realignment Timeline

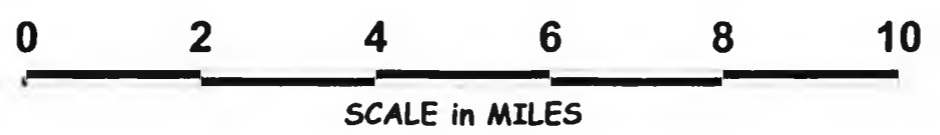
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Bird Point to Girdwood: Complete June, 1996

○ = Accident Occurred prior to Highway Realignment

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Seward Highway Speed Limit Revision Timeline

1977-August 1999: Entire Segment posted for 55 Miles per Hour

August 1999: Portion of Seward Highway from 1800 Feet North of Alyeska Highway to 4300 Feet North of Milepost 98 Raised to 65 Miles per Hour

SB

266

SENATE COMMITTEE REPORT First Committee of Referral

DATE: 2/3/06

FURTHER: Finance

Date of 5-Day Notice: _____
(in accordance with Uniform Rule 23)

DATE TURNED
IN TO OFFICE: _____

Transportation Committee considered SENATE BILL NO. 266

SB 266 COMMEMORATIVE PLATES: STATEHOOD ANIV.

"An Act relating to commemorative license plates celebrating Alaska's 50th anniversary as a state; and providing for an effective date."

and recommends:

- be replaced with _____ CS SB 266 (TRA)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to _____ Committee

CS Senate Bill:	
<input checked="" type="checkbox"/>	Same Title
<input type="checkbox"/>	New Title
SCS House Bill:	
<input type="checkbox"/>	Same Title
<input type="checkbox"/>	Technical Title Change
<input type="checkbox"/>	New Title w/ SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#
Admin	2/24/06	X			

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
French			X	
Cowdery	✓			
Theriault	✓			
CHAIR: Huggins	✓			

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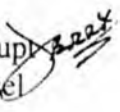
State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

February 27, 2006

SUBJECT: SB 266 - Sectional Summary (Work Order No. 24-LS1600\G)

TO: Senator Gary Stevens

FROM: Gerald P. Luckhaupt 
Legislative Counsel

You have requested a sectional summary of the above-described bill. As a preliminary matter, please note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill - the bill itself is the best statement of its contents. This bill creates commemorative license plates to honor Alaska's 50th anniversary as a state. The bill is based upon the procedure used by the legislature to create commemorative centennial gold rush license plates in 1996.

Section 1. Adds a purpose clause.

Section 2. Amends AS 28.10.161(b) to require that passenger vehicle plates issued after 1/1/2007 shall be a commemorative 50th anniversary statehood plate; this section sunsets in 2017 when sec. 3 takes effect.

Section 3. In 2017, reverts the design of passenger vehicle license plates to the current design once the commemorative period is finished.

Sections 4 - 5. Provide directions to the department to handle the transition.

Section 6. Provides an instruction for the Revisor of Statutes.

Sections 7 - 8. Provide effective dates.

GPL:med
06-166.med

Enclosure

ALASKA STATE LEGISLATURE



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Fax (907) 465-3517

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Fax (907) 486-5264

Senator Gary Stevens Senate Majority Leader

Sponsor Statement for SB 266

"An Act relating to commemorative license plates celebrating Alaska's 50th anniversary as a state; and providing for an effective date."

In 2009, Alaska will celebrate its 50th anniversary as the 49th state of the United States of America. To mark this historic occasion, the 23rd legislature created the Alaska Statehood Celebration Commission to organize, plan and administer all official state activities leading up to the 50th anniversary of Alaska Statehood. In the spirit of celebrating our landmark anniversary, the commission recommends the state issue a commemorative license plate.

Senate Bill 266 gives the Division of Motor Vehicles statutory authority to issue a special license plate commemorating the 50th anniversary of Alaska's statehood. The Division, in consultation with the Alaska Statehood Celebration Commission, will determine the design and color of the commemorative plate. The Division will issue the commemorative license plate between January 1, 2007 and December 31, 2009.

I urge your support of this important piece of legislation.

Deborah Grundmann

From: James Shine
Sent: Monday, February 27, 2006 3:33 PM
To: Deborah Grundmann
Subject: SB 266 Testifiers

Debbie-

Thanks again for getting our bill up on such short notice. Have you received a fiscal note from Admin yet? Here are the names of *possible* testifiers who will call in off-net:

- Duane Bannock, DMV
- Gail Phillips, Chair, Alaska Statehood Celebration Commission
- Chris Constant, Vice-Chair, Alaska Statehood Celebration Commission

If I know of anyone else who will be there or calling in to testify, I'll let you know as soon as possible.

Thanks again,

Jim Shine, Staff
Office of Senator Gary Stevens
State Capitol, Room 103
Phone: (907) 465-4925
Fax: (907) 465-3517

SB

271

SB271



FRANK H. MURKOWSKI
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STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 7, 2006

The Honorable Ben Stevens
President of the Senate
Alaska State Legislature
State Capitol, Room 111
Juneau, AK 99801-1182

Dear President Stevens:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill that would authorize the Alaska Department of Transportation and Public Facilities to assume certain federal programmatic and environmental responsibilities as provided for by the United States Congress in the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), P.L. 109-59. A prerequisite to assumption of the duties is that the State of Alaska agree to a waiver of immunity to suit in federal court for those duties specifically assumed from the United States Department of Transportation.

Under the recent SAFETEA-LU amendments, the State of Alaska is one of only five named states with the opportunity to participate in a so-called "pilot program" for assumption of duties and responsibilities under 23 U.S.C. 327 (National Environmental Policy Act of 1969). This bill provides a unique opportunity for the State of Alaska to have more direct involvement, and control, in the planning and decision-making process involved with many public projects.

I urge your prompt and favorable action on this measure.

Sincerely yours,

Frank H. Murkowski
Governor

Enclosure

COMMITTEE COPY

NEPA Delegation Pilot Fact Sheet

SAFETEA-LU includes a NEPA delegation pilot program for five states – Alaska, California, Oklahoma, Ohio, and Texas. Under the program, the five states are eligible to apply for delegation of the Secretary of Transportation's (Secretary) NEPA responsibilities for one or more highway projects within the state. The state may also apply for delegation of some or all of the Secretary's review and consultation responsibilities under other Federal environmental laws. The scope of delegation will be determined through application to the Secretary and execution of a Memorandum of Understanding (MOU).

Time Frame:

- Duration of the pilot program is six years from enactment of SAFETEA-LU. Unless extended by statute, the pilot terminates on August 10, 2011.
- The Secretary is required to promulgate regulations to establish delegation application requirements. Rulemaking is required to be complete within 270 days of the Act. Rulemaking is behind schedule.
- The State may not submit its application until
 - Rulemaking is complete and
 - The State must advertise the application and solicit public comment.
- After its application is accepted, the State and Secretary will enter into an MOU.
- Once the MOU is executed, delegation may proceed.

Delegation Options:

- NEPA delegation is limited to highway projects. The term includes roads, streets, and parkways, rights-of-way, bridges and protective structures.
 - NEPA delegation may be programmatic, or for specific, identified projects. The State has broad latitude to determine the FHWA environmental responsibilities it would like to assume [i.e. CEs, EAs, EISs, Section 4(f)].
- The State expects to request delegation for all of the Secretary's environmental review and consultation responsibilities under other Federal environmental laws (examples include Section 106 of the National Historic Preservation Act, Section 7 of the Endangered Species Act)
- NEPA delegation is limited to environmental decision-making. It does not extend to engineering decisions.

Requirements and Responsibilities:

- Under delegation, the State would assume sole responsibility and liability for its NEPA actions and decisions and would be subject to Federal court jurisdiction. To receive delegation, the State is required to waive its 11th Amendment sovereign immunity from suits in Federal court for its decisions under NEPA.
- The State will be required to comply with all applicable Federal laws, Executive Orders, regulations, policies and guidance for the responsibilities it assumes.
- The State's delegation program will be audited, twice annually for the first two years, annually thereafter. The audits will be available for public comment.
- The Secretary is required to submit an annual report to Congress on the pilot program.
- The Secretary may terminate any state's participation in the pilot program at any time for cause.

SB

273

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


State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

February 27, 2006

SUBJECT: CSSB 273(TRA) relating to motor vehicle sales
(Work Order No. 24-LS1607F)

TO: Senator Charlie Huggins
Chair of the Senate Transportation Committee
Attn: Deb

FROM:  Theresa Bannister
Legislative Counsel

This memo accompanies a draft of the bill described above.

1. Requirement that sales territory be located in this state. This requirement may raise an issue under the interstate commerce provision because it discriminates against dealers whose sales territories are located outside this state. I have not researched this issue to determine whether it is much of a problem in this situation, but I wanted you to be aware that the issue is present.
2. Terminology. "Sales territory" has been substituted for "area of responsibility" because the requested phrase was not very precise.

If I may be of further assistance, please advise.

TBC:med
06-165.med

Enclosure

Amend section 1(a)(2)

Page 1, line 11

delete "for sales in this state"

Page 1, line 11

After "vehicle" add "pursuant to which the dealer's area of responsibility is located within the State of Alaska"

24-LS1607F
Bannister
2/27/06

CS FOR SENATE BILL NO. 273(TRA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - SECOND SESSION

BY THE SENATE TRANSPORTATION COMMITTEE

Offered:

Referred:

Sponsor(s): SENATOR COWLERY

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to a motor vehicle dealer's selling or offering to sell motor vehicles as
2 new or current models or as new or current model motor vehicles having
3 manufacturer's warranties."

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

5 * **Section 1.** AS 08.66.015(a) is amended to read:

6 (a) A person who does business as a dealer in the state may not offer to sell or
7 sell a motor vehicle as a new [OR CURRENT MODEL] motor vehicle unless

8 (1) the motor vehicle retains the manufacturer's certificate of origin;
9 **and**

10 (2) the dealer has a current sales and service agreement with the
11 manufacturer of the motor vehicle under which the dealer's sales territory is
12 located in this state.

13 * **Sec. 2.** AS 08.66.015(b) is repealed.

SENATOR
JOHN J. COWDERY

Anchorage

Committees

Chair: Rules

Chair: World Trade &

State/Federal Relations

Vice-Chair: Transportation

Legislative Council



Senate

January – May:
State Capitol, Suite 101
Juneau, Alaska 99801 – 1182
Tel: 907-465-3879
Toll Free: 888-269-3879
Fax: 907-465-2069

May – December:
716 W. 4th Avenue
Anchorage, Alaska 99501
Tel: 907-269-0222
Fax: 907-269-0223

Senator_John_Cowdery@legis.state.ak.us

Sponsor Statement

Senate Bill 273

"An Act relating to a motor vehicle dealer's selling or offering to sell motor vehicles as new or current models or as new or current model motor vehicles having manufacturer's warranties."

In 2004, HB 272, an Act relating to certain amendments to Alaska's Auto Dealer Act was enacted and became law. Part of this Act directed the Department of Law to submit a report to the Legislature in January 2005 outlining any consumer or enforcement problems associated with AS 08.66.015.

This bill adopts language that addresses the recognized consumer protection and enforcement problems and is consistent with the changes proposed by the Department of Law.

This bill amends current law by deleting the phrase "current model" from AS 08.66.015(a) and adds a section (b) which requires the auto dealers to have a current sales and service agreement with a manufacturer to sell or attempt to sell a car as new. The removal of "current model" is important because with the language left as is, legitimate dealers are unable to sell used vehicles that are still current year vehicles. For example, a 2006 Ford F-150 that is used cannot be sold by a used car dealer or manufacturer's franchise until the new model vehicles are released later this year. This act also repeals AS 08.66.015(b), which created a situation in which a used, current model vehicle with a warranty, could only be sold by Manufacturer's franchise dealers, effectively barring used car dealers from selling used automobiles that are less than a year old.

STATE OF ALASKA

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

FRANK MURKOWSKI, GOVERNOR

1031 WEST 4TH AVENUE, SUITE 200
ANCHORAGE, ALASKA 99501-5903
PHONE: (907)269-5100
FAX: (907)276-8554

February 21, 2006

The Honorable John Cowdery
Chair
Senate Transportation Committee
State Capitol, Room 101
MS 3100
Juneau, AK 99801-1182

Re: SB 273; Sale of Current Model Motor Vehicles

Dear Senator Cowdery;

The Department of Law ("department") has reviewed SB 273. This bill resolves the current enforcement dilemma of AS 08.66.015(a). This statute makes it illegal for any car dealer to sell a current model used vehicle. By removing the restrictive language "current model" from the statute, any motor vehicle dealer will be allowed to sell a used current model vehicle so long as the vehicle is not represented to be "new."

In its current form, AS 08.66.015 is impractical to enforce because it prohibits the sale of used current model vehicles. Thus, a dealer would either refuse to purchase (or take on trade) any current model vehicle, or be forced to "warehouse" the vehicle until it was no longer the current model year. SB 273 will fix this problem.

Please let me know if you have any questions.

Sincerely,

DAVID W. MÁRQUEZ
ATTORNEY GENERAL

By:


Clyde E. Sniffen, Jr.
Assistant Attorney General

CES/sjm

SB

300

ALASKA STATE SENATE

Session:
State Capitol
Juneau, Alaska 99801-1182
(907) 465-2327
(907) 465-5241 Fax



Interim:
119 N. Cushman, Suite 201
Fairbanks, Alaska 99701
(907) 456-8161
Senator_Ralph_Seekins@legis.state.ak.us

Senator Ralph Seekins
District D

Senate Bill 300 Sponsor Statement

"An Act relating to the handling of negative equity in motor vehicle transactions"

Senate Bill 300 updates the definition of "principal balance" found in the Alaska Retail Installment Sales Act to accommodate the proper disclosure of negative equity. Furthermore, the bill clarifies how, within a lease arrangement, an incidence of negative equity is handled.

There was a time when lending institutions required borrowers to monetarily participate in purchase transactions. In fact, down payments of 25% were quite common. Furthermore, term loans were held to a maximum of 36 months. But, over the last several years these guidelines have gone by the wayside. The strength and stability of the national economy have spurred consumers to demand lower-payment loans along with greater value,

Banks, credit unions and acceptance companies have accommodated the marketplace by offering low, or no, down payment options as well as lengthening the allowable repayment period for many types of lending products. This phenomenon is particularly evident in retail auto sales where qualified buyers often broaden their budget by opting for 100% financing over the longest possible term.

The mathematical effect of this financing strategy is simple – the point in time at which the vehicle's market value exceeds the outstanding balance on the underlying loan occurs much later than it otherwise would. Until this point is reached, the owner's equity position is commonly known as "upside down" or "negative". In other words, the value of the vehicle is not yet sufficient to completely repay the outstanding balance on the loan.

As a result, when the owner wants to trade for a different vehicle, the dealer has to figure out some way to accommodate the loan payoff in the trade-in. At one time it was common practice in some states to simply inflate the price of the car to be purchased enough to permit an allowance for the trade-in that would cover the amount owed. The negative equity disappears.

This method solved the equity problem but failed to adequately describe the transaction mathematically. So, over time, this practice fell into disfavor and, today, it is more common that new vehicles are sold at non-negotiable prices, i.e., through factory incentive programs. Furthermore, the Federal Reserve Board provided guidance on this issue through revisions made to Regulations M and Z. These Regs control the manner in which lease and credit transactions (respectively) are disclosed.

Reg M was revised to provide a dedicated disclosure line on the lease agreement in cases where a *prior* loan or lease balance (negative equity) is rolled in to the new lease transaction. Revisions made to Reg Z altered the definition of "down payment" thereby solving the negative equity issue as it may pertain to a loan transaction.

So what does all this have to do with Senate Bill 300? The vast majority of banks and credit unions are federally regulated. Therefore, they follow federal disclosure laws (state laws do not come into play). However, acceptance companies, like GMAC, Ford Motor Credit, and others, are required to follow federal and state laws. The dual adherence requirement has effectively created a disparity in the manner in which loan and lease transactions are disclosed in cases involving negative equity here in Alaska.

So the bottom line is that while Federal law has been revised to accommodate this situation, our state law has not. SB 300 resolves this disparity by updating the definition of "principal balance" as it pertains to the state's disclosure requirements for retail sales contracts found in Chapter 10, Title 45. Furthermore, the Bill adds corresponding language to Chapter 25 pertaining to the handling of negative equity with respect to lease agreements. These modifications bring state and federal law back into alignment.

Deborah Grundmann

From: Thyas@aol.com
Sent: Tuesday, February 28, 2006 10:03 PM
To: Deborah Grundmann
Subject: SB 300

Senator Seekins asked me to check with the Alaska Bankers Association to make sure they have no problems with SB 300. They gave the ok.

Thyas



Seekins Ford
Lincoln-Mercury, Inc.
1625 Seekins Ford Drive
Fairbanks, Alaska 99701

Finance Department

Steve Spencer (907) 459-4032
 Mark Browning (907) 459-4034
 Jaclyn Glynn (907) 459-4022
 Finance Fax (907) 459-4057
 Toll Free (800) 478-1991

Fax

TO: Senada Seckline **From:** Steve Spencer

Fax: 465-5241 **Pages:** _____

Phone: _____ **Data:** _____

Re: _____ **CC:** _____

- Urgent For Review Please Comment Please Reply Please Recycle





Lessee (and Co-Lessee) - Name and Address (Including County):

UPSIDE DOWN JOE
-555 DOWNSIDE DRIVE FAIRBANKS AK

Handwritten signature

Lessor - Name and Address:

SEEKINS FORD-LINC-MERC., INC.
1625 SEEKINS FORD DRIVE FAIRBANKS AK 99701



"Ford Credit" is Ford Motor Credit Company. The "Holder" is HTD LEASING LLC and its assignee.
By signing "You" (Lessee and Co-Lessee) agree to lease this Vehicle according to the terms on the front and back of this lease.

New/Used/Demo	Mileage at Delivery	Year/Make/Model	GVW if Truck (lbs.)	Vehicle ID#	Vehicle Use
NEW		2006 FORD TRUCK F-150 SERIES	5324	1FTPW14586FA27882	PERSONAL

<p>1. Amount Due At Lease Signing or Delivery (Itemized Below) *</p> <p>\$ <u>2000.00</u></p>	<p>2. Monthly Payments</p> <p>Your first monthly payment of \$ <u>1063.67</u> is due on <u>02/28/06</u> followed by <u>23</u> payments of <u>1063.67</u> due on the <u>30th</u> day of each month. The total of Your monthly payments is \$ <u>25528.08</u></p>	<p>3. Other Charges (not part of Your monthly payment)</p> <p>Disposition fee (if You do not purchase the Vehicle) <u>N/A</u></p> <p><u>N/A</u></p> <p><u>N/A</u></p> <p>Total \$ <u>N/A</u></p>	<p>4. Total of Payments (The amount You will have paid by the end of the lease)</p> <p>\$ <u>26464.41</u></p>
---	---	--	---

* Itemization of Amount Due at Lease Signing or Delivery

<p>5. Amounts Due At Lease Signing or Delivery:</p> <p>a. Capitalized cost reduction \$ <u>343.33</u></p> <p>b. First monthly payment <u>1063.67</u></p> <p>c. Refundable security deposit <u>N/A</u></p> <p>d. Title fees <u>N/A</u></p> <p>e. Registration fees <u>298.00</u></p> <p>f. <u>N/A</u></p> <p>g. <u>N/A</u></p> <p>h. <u>N/A</u></p> <p>i. <u>00C</u></p> <p>Total \$ <u>2000.00</u></p>	<p>6. How the Amount Due At Lease Signing or Delivery will be paid:</p> <p>a. Net trade-in allowance \$ <u>0.00</u></p> <p>b. Rebates and noncash credits <u>2000.00</u></p> <p>c. Amount to be paid in cash <u>N/A</u></p> <p>d. <u>N/A</u></p> <p>Total \$ <u>2000.00</u></p>
--	---

7. Your monthly payment is determined as shown below:

<p>a. Gross capitalized cost. The agreed upon value of the Vehicle (\$ <u>35980.00</u>) and any items You pay over the lease term (such as service contracts, insurance, and any outstanding prior credit or lease balance) . . . (Itemized below)**</p> <p>b. Capitalized cost reduction. The amount of any net trade-in allowance, rebate, noncash credit, or cash that You pay that reduces the gross capitalized cost -</p> <p>c. Adjusted capitalized cost. The amount used in calculating Your base monthly payment =</p> <p>d. Residual value. The value of the Vehicle at the end of the lease used in calculating Your base monthly payment -</p> <p>e. Depreciation and any amortized amounts. The amounts charged for the Vehicle's decline in value through normal use and for other items paid over the lease term =</p> <p>f. Rent charge. The amount charged in addition to the depreciation and any amortized amounts +</p> <p>g. Total of base monthly payments. The depreciation and any amortized amounts plus the rent charge =</p> <p>h. Lease payments. The number of payments in Your lease +</p> <p>i. Base monthly payment =</p> <p>j. Monthly sales / use tax +</p> <p>k. <u>N/A</u> +</p> <p>l. <u>N/A</u> +</p> <p>m. Total monthly payment \$</p> <p>n. Lease term in months.</p>	<p><u>40971.00</u></p> <p><u>343.33</u></p> <p><u>40627.67</u></p> <p><u>17990.00</u></p> <p><u>22637.67</u></p> <p><u>2890.41</u></p> <p><u>25528.08</u></p> <p><u>24</u></p> <p><u>1063.67</u></p> <p><u>N/A</u></p> <p><u>N/A</u></p> <p><u>N/A</u></p> <p><u>1063.67</u></p> <p><u>24</u></p>
---	---

\$\$

Early Termination. You may have to pay a substantial charge if You end this lease early. The charges may be up to several thousand dollars. The actual charge will depend on when the lease is terminated. The earlier You end the lease, the greater this charge is likely to be.

DDOLN

8. Excess Wear and Use. You may be charged for excessive wear based on our standards for normal use. At the scheduled end of this lease, unless You purchase the Vehicle, You must pay to Lessor 20 cents per mile for each mile in excess of 30000 miles shown on the odometer. See Items 19 and 23 on back for additional excess wear and use terms.

9. Extra Mileage Option Credit. At the scheduled end of this lease, You will receive a credit of N/A cents per unused mile for the number of unused miles between N/A and N/A miles, less any amounts You owe under this lease. You will not receive any credit if the Vehicle is destroyed, if You terminate Your lease early, exercise any purchase option, are in default or the credit is less than \$1.00.

KUL (CON'T)



Other Important Terms. See Your lease documents for additional information on early termination, purchase option and maintenance responsibilities, warranties, late and default charges, insurance, and any security interests. If applicable.



11. WARRANTY The Vehicle is covered by any warranty, extended warranty or service contract indicated below:

Standard new Vehicle warranty provided by the manufacturer or distributor of the Vehicle.

FORD ESP

If the Vehicle is of a type normally used for personal use and the Lessor, or the Vehicle's manufacturer, extends a written warranty or service contract covering the Vehicle within 90 days from the date of this lease, You get implied warranties of merchantability and fitness for a particular purpose covering the Vehicle. Otherwise, You understand and agree that there are no such implied warranties except as otherwise required by state law.

12. OFFICIAL FEES AND TAXES \$ 313.00

The estimated total amount You will pay for official and license fees, registration, title and taxes over the term of Your lease, whether included with Your monthly payments or assessed otherwise. The actual total of fees and taxes may be higher or lower depending on the tax rates in effect or the value of the leased property at the time a fee or tax is assessed.

13. LESSOR SERVICES N/A

(See Item 18 on back)



14. LATE PAYMENTS You will pay a late charge on each payment that is not received within 10 days after it is due. The charge is 7.5% of the full amount of the scheduled payment or \$50.00 whichever is less.

15. LIFE, DISABILITY AND OTHER INSURANCE These coverages are not required to enter into this lease and will not be provided unless You sign below. If insurance is to be obtained by Lessor, the coverages are shown in a notice given to You this date and are for the term of this lease.

Life Insurance: Insurer N/A, Initial Coverage Amount N/A, Insured(s) Premium N/A, Insured's Signature(s) N/A

Disability Insurance: Insurer N/A, Monthly Coverage N/A, Insured Premium N/A, Insured's Signature N/A

Other Insurance: Type N/A, Insurer N/A, Monthly Coverage N/A, Insured(s) Premium N/A, Insured's Signature(s) N/A

Total Premiums \$ N/A



**16. Itemization of Gross Capitalized Cost

Agreed Upon Value of the Vehicle \$ 35980.00	Sales/Use Tax & Other Applicable Taxes N/A	Title Fees N/A	License & Registration Fees 15.00	Extended Warranty & Service Contract 299.00	Lessor Services N/A	Acquisition Fee 595.00
Documentation Fee N/A	Life Insurance Premium N/A	Disability Insurance Premium N/A	WEAR CARE 500.00	N/A	OUTSTANDING PRIOR BALANCE 3586.00	Total Gross Capitalized Cost 40971.00

SIGNATURES AND IMPORTANT NOTICES

Modification: This lease sets forth all of the agreements of Lessor and You for the lease of the Vehicle. There is no other agreement. Any change in this lease must be in writing and signed by You and Ford Credit.

Lessee: UPSIDE DOWN JOE By: X Title:

Co-Lessee: By: X Title:

YOU ACKNOWLEDGE THAT YOU HAVE READ AND AGREE TO BE BOUND BY THE ARBITRATION PROVISION ON THE REVERSE SIDE OF THIS CONTRACT.

NOTICE: (1) Do not sign this lease before You read it or if it has any blank space to be filled in. (2) You have the right to get a filled-in copy of this lease. You state that You have been given a filled-in copy of this lease at the time You sign it and notice of an assignment of this lease by the Lessor to Holder.

Lessee: UPSIDE DOWN JOE By: X Title:

Co-Lessee: By: X Title:

Lessor is hereby notified that Holder has assigned to "intermediary," as defined in the Red Carpet Lease Assignment, its rights (but not its obligations) with respect to the purchase of this Vehicle and the sale of this Vehicle at lease termination.

Lessor accepts this lease and assigns it to Holder under the terms of the Red Carpet Lease - WOR Plan Agreement Program No. [] LEV GUARANTY

Lessor: SEEKINS FORD-LINC-MERC., INC. By: X Title:

ALASKA SIMPLE INTEREST VEHICLE RETAIL INSTALLMENT CONTRACT

DATE 04/28/2006
12:44:23 p.m. 03-02-2006

9074694067

Seekins Ford

Zip Code)



www.fordcredit.com

UPSIDE DOWN JOE
-555 DOWNSIDE DRIVE
FAIRBANKS AK

SEEKINS FORD-LINC-MERC., INC.
1625 SEEKINS FORD DRIVE
FAIRBANKS AK 99701

You, the Buyer (and Co-Buyer, if any), may buy the vehicle described below for cash or on credit. The cash price is shown below as "Cash Price." The credit price is shown below as "Total Sale Price." By signing this contract, you choose to buy the vehicle on credit under the agreements on the front and back of this contract.

New/Used	Mileage	Year and Make	Model	Vehicle Identification Number	Use For Which Purchased
NEW	N/A	2006 FORD TRUCK	F-150 SER	1FTPW14586FA27882	<input checked="" type="checkbox"/> Personal <input type="checkbox"/> Agricultural <input type="checkbox"/> Commercial

Trade-in 2005 FORD TRUCK Year and Make \$ 14000.00 Gross Allowance \$ 17586.00 Amount Owning

ITEMIZATION OF AMOUNT FINANCED

1. Cash Price	\$ 36479.00 (1)
2. Down Payment	
Third Party Rebate Assigned to Creditor	\$ N/A
Cash Down Payment	\$ N/A
N/A	\$ N/A
Trade-in (description above)	\$ 0.00
Total Down Payment	\$ 0.00 (2)
3. Unpaid Balance of Cash Price (1 minus 2)	\$ 36479.00 (3)
4. Amounts paid on your behalf (Seller may be retaining a portion of these amounts)	
To Public Officials	
(i) for license, title & registration fees \$ <u>115.00</u> ;	
(ii) for official fees \$ <u>15.00</u> ;	
(iii) for taxes (not in Cash Price) \$ <u>N/A</u> \$ <u>130.00</u>	
To Insurance Companies for:	
Credit Life Insurance	\$ N/A
Credit Disability Insurance	\$ N/A
N/A	\$ N/A
N/A	\$ N/A
N/A	\$ N/A
To <u>SEEKINS FORD-LINC-</u> for <u>DOC FEE</u>	\$ <u>295.00</u>
To <u>FORD MOTOR CREDIT</u> for <u>NEGATIVE EQUITY</u>	\$ <u>3586.00</u>
To <u>N/A</u> for <u>N/A</u>	\$ <u>N/A</u>
To <u>N/A</u> for <u>N/A</u>	\$ <u>N/A</u>
To <u>N/A</u> for <u>N/A</u>	\$ <u>N/A</u>
Total	\$ <u>4011.00</u> (4)
5. Amount Financed (3 plus 4)	\$ <u>40490.00</u> (5)

INSURANCE

YOU ARE REQUIRED TO INSURE THE VEHICLE. YOU MAY OBTAIN VEHICLE INSURANCE FROM A PERSON OF YOUR CHOICE. LIABILITY INSURANCE COVERAGE FOR BODILY INJURY AND PROPERTY DAMAGE CAUSED TO OTHERS IS NOT INCLUDED. CREDIT LIFE, CREDIT DISABILITY AND OTHER OPTIONAL INSURANCE ARE NOT REQUIRED TO OBTAIN CREDIT AND WILL NOT BE PROVIDED UNLESS YOU SIGN AND AGREE TO PAY THE PREMIUM.

Credit
 Life N/A
Insurance Company
\$ N/A N/A
Premium Insured(s)
You/We want Credit Life Insurance.
Buyer Signs
Co-Buyer Signs

Credit
 Disability N/A
Insurance Company
\$ N/A N/A
Premium Insured(s)
You/We want Credit Disability Insurance.
Buyer Signs
Co-Buyer Signs

OTHER OPTIONAL INSURANCE

Coverage and Insurance Company	Premium and Term in Months
<u>N/A</u>	\$ <u>N/A</u>
By <u>N/A</u>	<u>N/A</u>
<u>N/A</u>	\$ <u>N/A</u>

FEDERAL TRUTH-IN-LENDING DISCLOSURES

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of Payments	Total Sale Price
The cost of your credit as a yearly rate <u>11.00</u> %	The dollar amount the credit will cost you <u>12569.20</u>	The amount of credit provided to you or on your behalf <u>40490.00</u>	The amount you will have paid when you have made all scheduled payments <u>53059.20</u>	The total cost of your purchase on credit, including your downpayment of \$ <u>0.00</u> <u>53059.20</u>

Your Payment Schedule will be:

Number of Payments	Amount of Payments	When Payments are Due
<u>60</u>	<u>884.32</u>	<input checked="" type="checkbox"/> Monthly <input type="checkbox"/> Semi-Annually <input type="checkbox"/> Annually starting <u>APRIL 14, 2006</u>
<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

9074594057

Seekins Ford

12:45:00 p.m. 03-02-2006 5/9

Number of Payments	Amount of Payments	When Payments are Due
60	884.32	<input checked="" type="checkbox"/> Monthly <input type="checkbox"/> Semi-Annually <input type="checkbox"/> Annually
N/A	N/A	starting APRIL 14, 2006
N/A	N/A	N/A
N/A	N/A	N/A

FORD CREDIT RETAIL (CONT)

Prepayment: If you pay off your debt early, you will not have to pay a penalty.
Late Payment: You must pay a late charge on the portion of each payment received more than 10 days late. The charge is 7.5 percent of the late amount or \$30.00, whichever is less.
Security Interest: You are giving a security interest in the vehicle being purchased.
Contract: Please see this contract for additional information on security interest, nonpayment, default, the right to require repayment of your debt in full before the scheduled date, and prepayment penalty.

Insurance Company _____ Term in Months _____
 N/A _____ 5 _____ N/A _____
 By N/A _____ N/A _____
 N/A _____ 5 _____ N/A _____
 By N/A _____ N/A _____

You/We want the optional insurance for which premiums are included above.

Buyer Signs _____
 Co-Buyer Signs _____

Credit Life and Credit Disability Insurance are for the term of the contract. The amount and coverages are shown in a notice or agreement given to you today.

BALLOON PAYMENT PROVISION

Your last installment payment under this contract is a balloon payment.

EXCESS YEAR, USE AND MILEAGE CHARGES

If the box directly above is checked, this section, Paragraph B, and Paragraph C of this contract apply. You may be charged for excessive wear based upon our standards for normal use. If you exercise the option to sell the vehicle back to Creditor under Paragraph B, you must pay the Creditor \$0. N/A per mile for each mile in excess of N/A miles shown on the odometer.

Debt Cancellation Waiver Addendum (Optional)

If this box is checked you have purchased a debt cancellation waiver. Purchase of this coverage is optional and is not required to obtain credit. The terms and conditions of the debt cancellation waiver are set forth in the attached Addendum which is incorporated into this contract. The price for the debt cancellation waiver is set forth on this contract in the itemization of Amount Financed under section 4.

Any change in this contract must be in writing and signed by you and the Creditor.

Buyer X _____
Signs

Co-Buyer X _____
Signs

Buyer _____
Signs

YOU ACKNOWLEDGE THAT YOU HAVE READ AND AGREE TO BE BOUND BY THE ARBITRATION PROVISION ON THE REVERSE SIDE OF THIS CONTRACT.

The Annual Percentage Rate may be negotiated with the Seller. The Seller may assign this contract and may retain its right to receive a portion of the Finance Charge.

Do not sign this contract before you read it or if it contains any blank spaces. You are entitled to an exact copy of the contract you sign.

Buyer (and Co-Buyer) acknowledge that (I) before signing this contract, Buyer (and Co-Buyer) received and reviewed a true and completely filled in copy of this contract and (II) at the time of signing this contract, Buyer (and Co-Buyer) received a true and completely filled in copy of this contract.

CONSUMER PAPER

Buyer X _____ Co-Buyer X _____
Signs Signs

Seller SEEKINS FORD-LINC-MERC INC _____ Title F&I MGR. _____
THIS CONTRACT IS NOT VALID UNTIL YOU AND SELLER SIGN IT.

ASSIGNMENT

Seller may transfer this contract to another person. That person will then have all Seller's rights, privileges, and remedies. By signing below, the Seller assigns this contract to FORD MOTOR CREDIT COMPANY ("Assignee").
To contact Assignee about this contract, call 1-800-727-7000, or visit their website at www.fordcredit.com

Seller SEEKINS FORD-LINC-MERC INC _____ Title F&I MGR. _____

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