

LEGAL SERVICES

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MEMORANDUM

March 31, 2011

SUBJECT: Sectional summary of CSHB 30(TRA)
(Work Order No. 27-LS0198(T))

TO: Representative Peggy Wilson
Attn: Becky Rooney

FROM: Brian J. Kane *BJK*
Legislative Counsel

You have requested a sectional summary of CSHB 30(TRA), a bill relating to the transportation fund, local public transportation, the municipal harbor facility grant fund, motor fuel taxes, and motor vehicles registration fees, driver's license fees, identification card fees, studded tire tax, vehicle rental tax, and other taxes and fees related to motor vehicles.

Please note that a sectional summary of a bill is not an authoritative interpretation of a bill. The bill itself is the best statement of its contents.

Section 1 of the bill provides for fees from identification cards to be deposited into the transportation infrastructure fund.

Section 2 of the bill provides for certain motor vehicle registration fees to be deposited into the transportation infrastructure fund. Special registration fees are deposited into the general fund.

Section 3 of the bill provides that, unless otherwise provided by law, state fees or taxes collected under AS 28 shall be deposited into the transportation infrastructure fund.

Section 4 of the bill makes a conforming amendment in removing a reference to the watercraft fuel tax account, which is deleted by the bill and removes the reference to the fisheries business tax in relation to the municipal harbor facility grant fund.

Section 5 of the bill amends the list of program receipts so that only special registration fees are accounted for separately and deposited into the general fund.

Section 6 of the bill creates the transportation infrastructure fund and states that the commissioner of revenue shall manage the fund as an endowment. The section requires the commissioner to prepare a report for the legislature detailing how much money in the

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fund is available for appropriation and lists the percentages for which money can be appropriated from the fund for different transportation projects. The section lists the maximum percentages of the fund that can be appropriated to certain categories of projects. The section creates the Transportation Infrastructure Fund Advisory Council to make recommendations to the legislature of projects to fund.

Section 7 of the bill replaces the special aviation fuel tax account with the transportation infrastructure fund as the fund to which certain proceeds from taxes on aviation fuel will be deposited.

Section 8 of the bill states that all motor fuel tax receipts shall be paid into the transportation infrastructure fund and all valid motor fuel refunds shall be paid from the transportation infrastructure fund.

Section 9 of the bill makes a conforming amendment due to the repeal of AS 43.40.010(j).

Section 10 of the bill states that refund warrants shall be made from the transportation infrastructure fund and not the highway fuel tax account.

Section 11 of the bill provides for 50 percent of vehicle rental taxes to be deposited into the transportation infrastructure fund.

Section 12 of the bill provides for fees imposed on tires to be deposited into the transportation infrastructure fund

Section 13 of the bill adds to the duties of the Department of Transportation and Public Facilities the duty to promote and support methods or modes of local public transportation and to develop criteria for determining eligibility of projects for funding and for evaluating projects for funding from the transportation infrastructure fund that provide a statewide balance of projects in both urban and rural areas.

Section 14 of the bill makes a conforming amendment that removes AS 43.40.010 from the list of notices of state agency requests for proposals.

Section 15 of the bill repeals AS 43.40.010(f), 43.40.010(g), and 43.40.010(j).

Section 16 of the bill provides transition directions on how the commissioner of revenue shall determine the amount available for appropriation through the year 2015.

Section 17 of the bill details the length of terms for the initial appointments of public members to the Transportation Infrastructure Fund Advisory Council.

Section 18 of the bill states that if AS 37.14.890(a)(1) or 37.14.890(a)(2) is held to be invalid, the remainder of the bill is not affected.

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Section 19 of the bill provides a contingency that the bill takes effect only if an amendment to the Constitution of the State of Alaska establishing the transportation infrastructure fund as a dedicated fund is approved by the voters before July 1, 2013.

Section 20 of the bill provides that the bill will take effect the day following the date of certification of the results of the 2012 general election.

BJK:plm

11-202.plm