

**AMENDMENT**

OFFERED IN THE SENATE

BY SENATOR KIEHL

TO: CSHB 104(FIN) am

Page 1, line 1, following "Act":

Insert "**relating to vehicle registration and registration fees; relating to the motor fuel tax;**"

Page 1, following line 3:

Insert new bill sections to read:

**\*\* Section 1.** AS 28.10.421 is amended by adding a new subsection to read:

(k) In addition to the other fees imposed under this section, the owner of an electric vehicle shall pay a special biennial registration fee of \$100, the owner of a vehicle powered by alternative fuel shall pay a special biennial registration fee of \$100, and the owner of a plug-in hybrid vehicle shall pay a special biennial registration fee of \$50. Fees collected under this subsection shall be deposited in the special highway fuel tax account described in AS 43.40.010(g). In this subsection,

(1) "alternative fuel" includes hydrogen and natural gas;

(2) "electric vehicle" means a vehicle that is

(A) powered solely by an electric motor drawing current from rechargeable batteries, fuel cells, or other portable sources of electrical current; and

(B) manufactured primarily for use on public streets, roads, and highways;

(3) "plug-in hybrid vehicle" means a vehicle that is

(A) capable of using gasoline, diesel fuel, or alternative fuel, and is powered in part by electrical energy using a battery storage system

1 capable of being recharged from an external source of electricity; and

2 (B) manufactured primarily for use on public streets, roads, and  
3 highways.

4 \* **Sec. 2.** AS 28.35.155(a) is amended to read:

5 (a) It is unlawful to operate a motor vehicle with studded tires or tires with  
6 chains attached on a paved highway or road from May 1 through September 15,  
7 inclusive, north of 60 North Latitude and from April 15 through September 30,  
8 inclusive, south of 60 North Latitude, except that at any latitude on a paved portion of  
9 the Sterling Highway a person may not operate a motor vehicle with studded tires or  
10 tires with chains attached from May 1 through September 15, inclusive. The  
11 commissioner of public safety shall by emergency order provide for additional lawful  
12 operating periods based on unusual seasonal or weather conditions. An emergency  
13 order adopted under this section is not subject to AS 44.62 (Administrative Procedure  
14 Act). Upon application, a special individual traction permit may be issued by the  
15 Department of Administration allowing the operation of a motor vehicle with studded  
16 tires or chains at any time at the discretion of the vehicle owner. The fee for the  
17 special individual permit is one-third of the biennial registration fee applicable to that  
18 class of vehicle under **AS 28.10.421(b), (c), or (h)** [AS 28.10.421]. The department  
19 may provide an appropriate sticker or other device identifying the vehicle to which the  
20 permit applies."

21  
22 Page 1, line 4:

23 Delete "**Section 1**"

24 Insert "**Sec. 3**"

25  
26 Renumber the following bill sections accordingly.

27  
28 Page 1, following line 6:

29 Insert new bill sections to read:

30 \* **Sec. 4.** AS 43.40.010(a) is amended to read:

31 (a) In addition to the surcharge levied under AS 43.40.005, there is levied a

1 tax of 11 [EIGHT] cents a gallon on all motor fuel sold or otherwise transferred within  
 2 the state, except that

- 3 (1) the tax on aviation gasoline is four and seven-tenths cents a gallon;
- 4 (2) the tax on motor fuel used in and on watercraft of all descriptions is  
 5 five cents a gallon;
- 6 (3) the tax on all aviation fuel other than gasoline is three and two-  
 7 tenths cents a gallon; and
- 8 (4) the tax rate on motor fuel that is blended with alcohol is the same  
 9 tax rate a gallon as other motor fuel; however, in an area and during the months in  
 10 which fuel containing alcohol is required to be sold, transferred, or used in an effort to  
 11 attain air quality standards for carbon monoxide as required by federal or state law or  
 12 regulation, the tax rate on motor fuel that is blended with alcohol is six cents a gallon  
 13 less than the tax on other motor fuel not described in (1) - (3) of this subsection.

14 \* **Sec. 5.** AS 43.40.010(a), as amended by sec. 4 of this Act, is amended to read:

15 (a) In addition to the surcharge levied under AS 43.40.005, there is levied a  
 16 tax of 14 [11] cents a gallon on all motor fuel sold or otherwise transferred within the  
 17 state, except that

- 18 (1) the tax on aviation gasoline is four and seven-tenths cents a gallon;
- 19 (2) the tax on motor fuel used in and on watercraft of all descriptions is  
 20 five cents a gallon;
- 21 (3) the tax on all aviation fuel other than gasoline is three and two-  
 22 tenths cents a gallon; and
- 23 (4) the tax rate on motor fuel that is blended with alcohol is the same  
 24 tax rate a gallon as other motor fuel; however, in an area and during the months in  
 25 which fuel containing alcohol is required to be sold, transferred, or used in an effort to  
 26 attain air quality standards for carbon monoxide as required by federal or state law or  
 27 regulation, the tax rate on motor fuel that is blended with alcohol is six cents a gallon  
 28 less than the tax on other motor fuel not described in (1) - (3) of this subsection.

29 \* **Sec. 6.** AS 43.40.010(a), as amended by secs. 4 and 5 of this Act, is amended to read:

30 (a) In addition to the surcharge levied under AS 43.40.005, there is levied a  
 31 tax of 16 [14] cents a gallon on all motor fuel sold or otherwise transferred within the

1 state, except that

2 (1) the tax on aviation gasoline is four and seven-tenths cents a gallon;

3 (2) the tax on motor fuel used in and on watercraft of all descriptions is  
4 five cents a gallon;

5 (3) the tax on all aviation fuel other than gasoline is three and two-  
6 tenths cents a gallon; and

7 (4) the tax rate on motor fuel that is blended with alcohol is the same  
8 tax rate a gallon as other motor fuel; however, in an area and during the months in  
9 which fuel containing alcohol is required to be sold, transferred, or used in an effort to  
10 attain air quality standards for carbon monoxide as required by federal or state law or  
11 regulation, the tax rate on motor fuel that is blended with alcohol is six cents a gallon  
12 less than the tax on other motor fuel not described in (1) - (3) of this subsection.

13 \* **Sec. 7.** AS 43.40.010(b) is amended to read:

14 (b) In addition to the surcharge levied under AS 43.40.005, there is levied a  
15 tax of 11 [EIGHT] cents a gallon on all motor fuel consumed by a user, except that

16 (1) the tax on aviation gasoline consumed is four and seven-tenths  
17 cents a gallon;

18 (2) the tax on motor fuel used in and on watercraft of all descriptions is  
19 five cents a gallon;

20 (3) the tax on all aviation fuel other than gasoline is three and two-  
21 tenths cents a gallon; and

22 (4) the tax rate on motor fuel that is blended with alcohol is the same  
23 tax rate a gallon as other motor fuel; however, in an area and during the months in  
24 which fuel containing alcohol is required to be sold, transferred, or used in an effort to  
25 attain air quality standards for carbon monoxide as required by federal or state law or  
26 regulation, the tax rate on motor fuel that is blended with alcohol is six cents a gallon  
27 less than the tax on other motor fuel not described in (1) - (3) of this subsection.

28 \* **Sec. 8.** AS 43.40.010(b), as amended by sec. 7 of this Act, is amended to read:

29 (b) In addition to the surcharge levied under AS 43.40.005, there is levied a  
30 tax of 14 [11] cents a gallon on all motor fuel consumed by a user, except that

31 (1) the tax on aviation gasoline consumed is four and seven-tenths

cents a gallon;

(2) the tax on motor fuel used in and on watercraft of all descriptions is five cents a gallon;

(3) the tax on all aviation fuel other than gasoline is three and two-tenths cents a gallon; and

(4) the tax rate on motor fuel that is blended with alcohol is the same tax rate a gallon as other motor fuel; however, in an area and during the months in which fuel containing alcohol is required to be sold, transferred, or used in an effort to attain air quality standards for carbon monoxide as required by federal or state law or regulation, the tax rate on motor fuel that is blended with alcohol is six cents a gallon less than the tax on other motor fuel not described in (1) - (3) of this subsection.

\* **Sec. 9.** AS 43.40.010(b), as amended by secs. 7 and 8 of this Act, is amended to read:

(b) In addition to the surcharge levied under AS 43.40.005, there is levied a tax of 16 [14] cents a gallon on all motor fuel consumed by a user, except that

(1) the tax on aviation gasoline consumed is four and seven-tenths cents a gallon;

(2) the tax on motor fuel used in and on watercraft of all descriptions is five cents a gallon;

(3) the tax on all aviation fuel other than gasoline is three and two-tenths cents a gallon; and

(4) the tax rate on motor fuel that is blended with alcohol is the same tax rate a gallon as other motor fuel; however, in an area and during the months in which fuel containing alcohol is required to be sold, transferred, or used in an effort to attain air quality standards for carbon monoxide as required by federal or state law or regulation, the tax rate on motor fuel that is blended with alcohol is six cents a gallon less than the tax on other motor fuel not described in (1) - (3) of this subsection.

\* **Sec. 10.** AS 43.40.030(a) is amended to read:

(a) Except as specified in AS 43.40.010(j), a person who uses motor fuel to operate an internal combustion engine is entitled to a motor fuel tax refund of 75 percent of the tax levied under AS 43.40.010(a) or (b) [SIX CENTS A GALLON] if

(1) the tax on the motor fuel has been paid;

(2) the motor fuel is not aviation fuel, or motor fuel used in or on watercraft; and

(3) the internal combustion engine is not used in or in conjunction with a motor vehicle licensed to be operated on public ways."

Renumber the following bill sections accordingly.

Page 2, line 8:

Delete "sec. 2"

Insert "sec. 11"

Page 2, line 9:

Delete "sec. 2"

Insert "sec. 11"

Page 2, line 10:

Delete "sec. 2"

Insert "sec. 11"

Page 2, line 11:

Delete "Sections 2 and 3"

Insert "Sections 11 and 12"

Page 2, line 12:

Delete "Except as provided in sec. 4 of this Act,"

Insert "Section 1 of"

Page 2, following line 12:

Insert new bill sections to read:

**\* Sec. 15.** Sections 4 and 7 of this Act take effect July 1, 2023.

**\* Sec. 16.** Sections 5 and 8 of this Act take effect July 1, 2024.

1      \* **Sec. 17.** Sections 6 and 9 of this Act take effect July 1, 2025."