

**SPONSOR SUBSTITUTE FOR SENATE BILL NO. 50**

**IN THE LEGISLATURE OF THE STATE OF ALASKA**

**THIRTIETH LEGISLATURE - FIRST SESSION**

**BY SENATOR GIESSEL**

**Introduced: 2/15/17**

**Referred:**

**A BILL**

**FOR AN ACT ENTITLED**

1   **"An Act relating to fees for the sale or installation of studded tires; and providing for an**  
2   **effective date."**

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

4    \* **Section 1.** AS 43.98.025(b) is amended to read:

5           (b) In addition to the fee imposed under (a) of this section, a fee of **\$50** [\$5] a  
6   tire is imposed on the retail sale in the state [ON OR AFTER JULY 1, 2004,] of tires  
7   for motor vehicles designed for use on a highway that are studded with metal studs or  
8   spikes weighing more than **0.5** [1.1] grams each embedded in the periphery of the tire  
9   surface and protruding beyond the tread surface of the tire, or on the installation in the  
10   state [ON OR AFTER JULY 1, 2004,] for a fee of metal studs or spikes weighing  
11   more than **0.5** [1.1] grams each on a tire for a motor vehicle designed for use on a  
12   highway. **An online retail sale occurring outside the state is subject to the fee in**  
13   **this subsection as if the sale had occurred in the state, if the tires on which a fee is**  
14   **imposed under this subsection are used primarily in the state.**

1     \* **Sec. 2.** AS 43.98.025 is amended by adding a new subsection to read:

2             (i) The proceeds of the fee imposed under (b) of this section shall be  
3             separately accounted for under AS 37.05.142. The legislature may appropriate the  
4             annual estimated balance of the account maintained by the commissioner of  
5             administration under AS 37.05.142 for the repair and maintenance of roads maintained  
6             by the state. Nothing in this subsection creates a dedicated fund.

7     \* **Sec. 3.** The uncodified law of the State of Alaska is amended by adding a new section to  
8     read:

9             **APPLICABILITY.** (a) AS 43.98.025(b), as amended by sec. 1 of this Act, applies to  
10     sales and installations occurring on or after the effective date of this Act.

11             (b) AS 43.98.025(i), added by sec. 2 of this Act, applies to the proceeds from fees  
12     collected after the effective date of this Act.

13     \* **Sec. 4.** This Act takes effect July 1, 2017.