



March 31, 2017

Senator Lyman Hoffman, Co-Chair Finance Committee

Senator Anna MacKinnon, Co-Chair Finance Committee

I am writing to you in reference to Senate Bill 50 and I would like to go on record opposing this bill.

The simple truth is studded tires reduce the risks of accidents. This fact is based on the information found in the Alaska 2004 study and the Washington State DOT 2003 study as well as studies done by tire and stud manufactures. It is a proven fact that studded snow tires perform the best on snow and compact snow and ice, better than any other product on the market.

Our member's primary objective is to be able to provide our customers with the best possible safety. Senate Bill 50 takes winter driving safety away from most of Alaska's citizens so only the wealthy can afford this added fee of \$50 per tire.

This bill is very unfair to the driving public of Alaska. Not only is it unfair to the growing young families who in many cases need these tires on more than one vehicle, but it is also unfair to the senior citizens who are on fixed incomes and who need the safety of studded tires to get to and from medical appointments and other needed trips.

We have serious concerns of how this fee is going to work for online sales. We know that the bill calls for the \$50 fee to be collected, however there is no provision for enforcement of the fee. Currently states are finding it impossible to collect sales tax on online sales, so how much more difficult will it be for the State of Alaska to collect this fee from the online merchants who ship from outside the state.

We also have concerns about the effective date of this bill. If this bill goes into effect on July 1 of 2017 our members will be hurt with inventory that they cannot sell because of the high cost to the consumer.

I look forward to being able to testify at the April 7<sup>th</sup> hearing about these concerns.

Sincerely,



Richard Nordness,  
Executive Director, Northwest Tire Dealers Association