

AMENDMENT #2

OFFERED IN THE HOUSE
TO: CSHB 104(FIN)

BY REPRESENTATIVE WOOL

1 Page 1, line 1:

2 Following "Act": *(title amendment)*

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

5 Following "surcharge;"

6 Insert "temporarily suspending the tax on motor fuel;"

7

8 Page 1, following line 2:

9 Insert new bill sections to read:

10 **** Section 1.** AS 28.10.155(a) is amended to read:

11 (a) Except as provided in (c) of this section, the [THE] owner of a motor
12 vehicle [, OTHER THAN A COMMERCIAL MOTOR VEHICLE,] that is required to
13 be registered under this chapter may elect to register the motor vehicle permanently in
14 lieu of registration under AS 28.10.108 if the vehicle is at least eight years old and the
15 owner resides in the unorganized borough or in a municipality that elects, by passage
16 of an appropriate ordinance, to allow the permanent registration of motor vehicles.
17 The permanent registration expires when the owner transfers or assigns the owner's
18 title or interest in the vehicle. A permanent registration may not be renewed. On
19 receiving the proper application and fees, the department shall issue to the registered
20 owner registration plates, tabs, and a permanent registration form.

21 *** Sec. 2.** AS 28.10.155 is amended by adding new subsections to read:

22 (c) The following vehicles are not eligible for permanent registration under (a)
23 of this section:

- 1 (1) commercial motor vehicles;
 2 (2) electric vehicles;
 3 (3) plug-in hybrid vehicles;
 4 (4) vehicles powered by an alternative fuel and manufactured primarily
 5 for use on public roads.

6 (d) In this section,

- 7 (1) "alternative fuel" includes hydrogen and natural gas;
 8 (2) "electric vehicle" and "plug-in hybrid vehicle" have the meanings
 9 given in AS 28.10.421(k).

10 * **Sec. 3.** AS 28.10.421 is amended by adding a new subsection to read:

11 (k) In addition to the other fees imposed under this section, the owner of an
 12 electric vehicle shall pay a special biennial registration fee of \$100, the owner of a
 13 vehicle powered by alternative fuel shall pay a special biennial registration fee of
 14 \$100, and the owner of a plug-in hybrid vehicle shall pay a special biennial
 15 registration fee of \$50. Fees collected under this subsection shall be deposited in the
 16 special highway fuel tax account described in AS 43.40.010(g). In this subsection,

- 17 (1) "alternative fuel" includes hydrogen and natural gas;
 18 (2) "electric vehicle" means a vehicle that is
 19 (A) powered solely by an electric motor drawing current from
 20 rechargeable batteries, fuel cells, or other portable sources of electrical current;
 21 and
 22 (B) manufactured primarily for use on public streets, roads, and
 23 highways;
 24 (3) "plug-in hybrid vehicle" means a vehicle that is
 25 (A) capable of using gasoline, diesel fuel, or alternative fuel,
 26 and is powered in part by electrical energy using a battery storage system
 27 capable of being recharged from an external source of electricity; and
 28 (B) manufactured primarily for use on public streets, roads, and
 29 highways.

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

- 31 (a) It is unlawful to operate a motor vehicle with studded tires or tires with

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

17 Page 1, line 3:

18 Delete "**Section 1**"

19 Insert "**Sec. 5**"

20
 21 Renumber the following bill section accordingly.

22
 23 Page 1, following line 5:

24 Insert new bill sections to read:

25 **** Sec. 6.** AS 43.40.010(a) is amended to read:

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

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

30 (2) the tax on motor fuel used in and on watercraft of all descriptions is

31 10 [FIVE] cents a gallon;

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

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

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

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

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

14 (2) the tax on motor fuel used in and on watercraft of all descriptions is
15 10 [FIVE] cents a gallon;

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

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

24 * **Sec. 8.** AS 43.40.030(a) is amended to read:

25 (a) Except as specified in AS 43.40.010(j), a person who uses motor fuel to
26 operate

27 (1) an internal combustion engine is entitled to a motor fuel tax refund
28 of 12 [SIX] cents a gallon if

29 (A) [(1)] the tax on the motor fuel has been paid;

30 (B) [(2)] the motor fuel is not aviation fuel, or motor fuel used
31 in or on watercraft; and

1 (C) [(3)] the internal combustion engine is not used in or in
 2 conjunction with a motor vehicle licensed to be operated on public ways; or
 3 (2) a watercraft licensed under AS 16.05.490 or 16.05.530 and used
 4 for commercial fishing is entitled to a motor fuel tax refund of five cents a gallon
 5 if the tax on the motor fuel has been paid.

6 * **Sec. 9.** The uncodified law of the State of Alaska is amended by adding a new section to
 7 read:

8 SUSPENSION OF TAX ON MOTOR FUEL. Notwithstanding AS 43.40.010(a) and
 9 (b), the taxes levied under AS 43.40.010(a) and (b) are suspended beginning the first day of
 10 the month following the effective date of this section and ending July 1, 2023. During the
 11 suspension, the Department of Revenue or a dealer that sells or otherwise transfers fuel in the
 12 state may not collect the taxes suspended under this section. This section does not apply to a
 13 payment of tax, interest, or a penalty due before the suspension takes effect.

14 * **Sec. 10.** The uncodified law of the State of Alaska is amended by adding a new section to
 15 read:

16 TRANSITION: REGULATIONS AND RETROACTIVITY OF REGULATIONS.
 17 The Department of Revenue may adopt regulations under AS 44.62 necessary to implement
 18 this Act. Notwithstanding AS 44.62.240, the Department of Revenue may adopt a regulation
 19 to implement sec. 9 of this Act that applies retroactively. A regulation adopted by the
 20 Department of Revenue to implement sec. 9 of this Act applies retroactively to the effective
 21 date of sec. 9 of this Act.

22 * **Sec. 11.** Sections 9 and 10 of this Act take effect immediately under AS 01.10.070(c)."
 23

24 Renumber the following bill section accordingly.
 25

26 Page 1, line 6:

27 Delete "This"

28 Insert "Section 5 of this"

29
 30 Page 1, following line 6:

31 Insert a new bill section to read:

1 "* **Sec. 13.** Except as provided in secs. 11 and 12 of this Act, this Act takes effect July 1,
2 2023."