

**SENATE JOINT RESOLUTION NO. 46**  
**IN THE LEGISLATURE OF THE STATE OF ALASKA**  
**EIGHTEENTH LEGISLATURE - SECOND SESSION**

**BY SENATORS HALFORD, Pearce, Jacko, Donley, Taylor, Phillips, Kelly, Frank, Lincoln, Little, Kerttula, Miller**

**Introduced: 2/14/94**  
**Referred: State Affairs**

**A RESOLUTION**

**1 Requesting the United States Congress to provide a waiver for nontaxable diesel**  
**2 fuel sold in Alaska from the requirement that it contain a blue dye additive.**

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

**4 WHEREAS the Omnibus Budget Reconciliation Act of 1993 changed the point of**  
**5 collection of the federal highway tax and, effective January 1, 1994, requires dyeing of diesel**  
**6 fuel that is exempt from the federal diesel fuel tax; and**

**7 WHEREAS a regulation of the Internal Revenue Service requires blue dye to be added**  
**8 to nontaxable diesel fuel in the state; and**

**9 WHEREAS the use of diesel fuel for taxable purposes in Alaska is substantially below**  
**10 that used in the rest of the United States; the State of Alaska has determined that less than five**  
**11 percent of all diesel fuel sold in the state is sold for taxable purposes for use in on-road**  
**12 vehicle and recreational boats, which means that 95 percent of the diesel fuel in Alaska will**  
**13 have to be dyed; and**

**14 WHEREAS compliance with the requirement imposes a special hardship in rural**  
**15 Alaska in that the ability to meet the requirement in some rural areas is threatened due to the**  
**16 logistical limitations of available tankage and controls; and**

1           **WHEREAS** in a state in which there is a high per capita usage of private aircraft, the  
2 dye requirement poses a particular problem for private aircraft users in that the blue dyed  
3 diesel is very similar in color to the blue dyed AVGAS 100 low lead fuel, which could lead  
4 to inadvertent mixing or substitution of fuels and increases the probability of improper fuel  
5 handling and potential for accidents, serious bodily injury, or death; and

6           **WHEREAS** the Federal Aviation Administration is very concerned about these serious  
7 public health issues and associated safety risks; and

8           **WHEREAS** the penalties for failure to comply with this legislation can be very high;  
9 and

10           **WHEREAS** there is no indication of any tax fraud in the state related to the improper  
11 use of nontaxable fuel for taxable purposes;

12           **BE IT RESOLVED** that the Alaska State Legislature urges the United States Congress  
13 to take appropriate action to assure the elimination of the safety threats imposed by the current  
14 requirement that nontaxable diesel fuel offered for sale in Alaska be dyed blue by providing  
15 a waiver of the requirement.

16           **COPIES** of this resolution shall be sent to the Honorable Al Gore, Jr., Vice-President  
17 of the United States and President of the U.S. Senate; the Honorable Robert C. Byrd, President  
18 Pro Tempore of the U.S. Senate; the Honorable Thomas S. Foley, Speaker of the U.S. House  
19 of Representatives; the Honorable Lloyd Bentsen, Secretary of Treasury; and to the Honorable  
20 Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and the Honorable Don  
21 Young, U.S. Representative, members of the Alaska delegation in Congress.