

COMMITTEE REPORT

SENATE

2/16/81

FURTHER: Finance

Date: _____

Mr. President:

The Committee on TRANSPORTATION has had SB 182 repealing the tax on motor fuel used in or on watercraft

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- as follows:*
- do pass do not pass
 - do pass with attached amendments(s)
 - replace with CS for _____ same title new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
 - reports it back ^{WITH INDIVIDUAL} without recommendation Zero FY Note
 - referred to the _____ Committee

MEMBERS SIGNING
DO PASS

Bill Ray
Don [unclear]

MEMBERS HAVING
OTHER RECOMMENDATIONS:

~~Do not pass~~
2 Do not pass
3 No Rec

Bill Ray
CHAIRMAN

Introduced: 2/16/81
Referred: Transportation and Finance

BY MULCAHY, ELIASON, ZIEGLER
RAY, HOHMAN, FERGUSON

1 IN THE SENATE

2 SENATE BILL NO. 182

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act repealing the tax on motor fuel used in or on
7 watercraft; and providing for an effective date."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. AS 43.40.010(a) is amended to read:

10 (a) There is levied a tax of eight cents a gallon on all motor
11 fuel sold or otherwise transferred within the state, except that

12 (1) the tax on aviation gasoline is four cents a gallon, and

13 [(2) THE TAX ON MOTOR FUEL USED IN AND ON WATERCRAFT OF ALL
14 DESCRIPTIONS IS FIVE CENTS A GALLON, AND]

15 (3) the tax on all aviation fuel other than gasoline is two
16 and one-half cents a gallon.

17 * Sec. 2. AS 43.40.010(b) is amended to read:

18 (b) There is levied a tax of eight cents a gallon on all motor
19 fuel consumed by a user, except that

20 (1) the tax on aviation gasoline consumed is four cents a
21 gallon, and

22 [(2) THE TAX ON MOTOR FUEL USED IN AND ON WATERCRAFT OF ALL
23 DESCRIPTIONS IS FIVE CENTS A GALLON, AND]

24 (3) the tax on all aviation fuel other than gasoline is two
25 and one-half cents a gallon.

26 * Sec. 3. AS 43.40.010(g) is amended to read:

27 (g) The proceeds of the revenue from the tax on all motor fuels,
28 except as provided in (e) [, (f),] and (j) of this section, shall be
29 deposited in a special highway fuel tax account in the state general

1 fund. The legislature may appropriate funds from it for expenditure by
2 the Department of Transportation and Public Facilities [PUBLIC WORKS]
3 directly or as matched with available federal-aid-highway money for
4 maintenance of highways, construction of highway projects and ferries
5 included in the program provided for in AS 19.10.150, including ap-
6 proaches, appurtenances and related facilities and acquisition of
7 rights-of-way or easements, and other highway costs including surveys,
8 administration, and related matters. All departments of the state
9 government authorized to spend funds collected from taxes imposed by
10 this chapter [AS 43.40.010 - 43.40.100] shall perform, when feasible,
11 all construction or reconstruction projects by contract after the
12 projects have been advertised for competitive bids, except that, when
13 feasible, arrangements shall be made with political subdivisions to
14 carry out the construction or reconstruction projects. If it is not
15 feasible for the work to be performed by state engineering forces, the
16 commissioner of Transportation and Public Facilities [PUBLIC WORKS] may
17 contract on a professional basis with private engineering firms for
18 road design, bridge design, and services in connection with surveys.
19 If more than one private engineering firm is available for the work the
20 contracts shall be entered into on a negotiated basis.

21 * Sec. 4. AS 43.40.030(a)(2) is amended to read:

22 (2) the motor fuel is not aviation fuel [, OR MOTOR FUEL
23 USED IN OR ON WATERCRAFT]; and

24 * Sec. 5. AS 43.40.100(2) is amended to read:

25 (2) "motor fuel" means fuel used in an engine for the pro-
26 pulsion of a motor vehicle or aircraft, and fuel used [IN AND ON WATER-
27 CRAFT FOR ANY PURPOSE, OR] in a stationary engine, machine or mechanical
28 contrivance which is run by an internal combustion motor; "motor fuel"
29 does not include

1 (A) fuel consigned to foreign countries,

2 (B) fuel sold for use in jet propulsion aircraft op-
3 erating in flights to foreign countries,

4 (C) fuel used in stationary power plants operating as
5 public utility plants and generating electrical energy for sale to
6 the general public,

7 (D) fuel used by nonprofit power associations or
8 corporations for generating electric energy for resale,

9 (E) fuel used by charitable institutions, [OR]

10 (F) fuel which is at least 10 percent alcohol by
11 volume, or

12 (G) fuel used in and on watercraft for any purpose; [.]

13 * Sec. 6. AS 43.40.010(f) is repealed.

14 * Sec. 7. This Act takes effect July 1, 1981.

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Senate Bill 182
 Title An Act repealing the tax on motor fuel used in or on watercraft
 Requested by Senate Transportation and Finance Committee Date 2/18/81

II. FISCAL DETAIL

Agency Affected _____
 Program Category Affected _____
 BRU, Program, or Subprogram(s) Affected _____
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING (Millions of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
GENERAL FUND	-0-	(3.6)	(3.8)	(4.0)	(4.2)	
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

The above estimates are based on the Department of Revenue's forecasting model.

IV. DATE 2/18/81 PREPARED BY Vincent D. Wright
 AGENCY Department of Revenue
 PHONE _____
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named) _____

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SB 182

Title An Act repealing the tax on motor fuel used in or on watercraft.

Requested by Senate Transportation Committee Date Feb. 17, 1981

II. FISCAL DETAIL

Agency Affected Department of Revenue

Program Category Affected Revenue Collection and Management

BRU, Program, or Subprogram(s) Affected Audit Division

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars) - NONE

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING (Thousands of Dollars) - NONE

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS - NONE

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

This bill would repeal the marine motor fuel tax. It will have no effect on the administrative costs of this division.

IV. DATE Feb. 18, 1981

PREPARED BY Gary L. Jenkins

AGENCY Audit Division

PHONE 465-2320

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

ALASKA STATE LEGISLATURE

TWENTY-LETH Legislature FIRST Session

SENATE BILL NO. 182

By MULCAHY, ELIASON, ZIEGLER, RAY, HOHMAN, FERGUSON

"An Act repealing the tax on motor fuel used in or on watercraft; and providing for an effective date."

Introduced in the Senate 2/16/31

HISTORY IN THE SENATE

19	81	Read first time and referred to Committee on										
2	16	Transportation and Finance										
2	25	Reported back with <i>Transp.</i> recommendation that <i>2 do pass</i> <i>1 do not pass, 1 no rec. to fin.</i>										
		Read second time and										
		Read third time and										
		<table border="0"> <tr><td>PASS</td><td>Effective Date</td></tr> <tr><td>Yeas</td><td>Yeas</td></tr> <tr><td>Nays</td><td>Nays</td></tr> <tr><td>Absent</td><td>Absent</td></tr> <tr><td>Excused</td><td>Excused</td></tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused
PASS	Effective Date											
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		Reconsideration										
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PASS	Effective Date											
Yeas	Yeas											
Nays	Nays											
Absent	Absent											
Excused	Excused											
		Reported correctly engrossed										
		Signed by President										
		Sent to House										
SECRETARY OF THE SENATE												

HISTORY IN THE HOUSE

19		Read first time and referred to Committee on										
		Reported back with recommendation that										
		Read second time and										
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Excused	Excused											
		Reported correctly engrossed										
		Signed by Speaker										
		Returned to Senate										
CHIEF CLERK OF THE HOUSE												

HISTORY IN THE SENATE

19		Received from House
		To enrolling
		Reported correctly enrolled
		Sent to Governor
	 by Governor
		Filed with Lt. Governor
		Chapter No.

Introduced: 2/16/81
Referred: Transportation and Finance

1 IN THE SENATE

BY MULCAHY, ELIASON, ZIEGLER
RAY, HOHMAN and FERGUSON

2 SENATE BILL NO. 182

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

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1 fund. The legislature may appropriate funds from it for expenditure by
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4 maintenance of highways, construction of highway projects and ferries
5 included in the program provided for in AS 19.10.150, including ap-
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7 rights-of-way or easements, and other highway costs including surveys,
8 administration, and related matters. All departments of the state
9 government authorized to spend funds collected from taxes imposed by
10 this chapter [AS 43.40.010 - 43.40.100] shall perform, when feasible,
11 all construction or reconstruction projects by contract after the
12 projects have been advertised for competitive bids, except that, when
13 feasible, arrangements shall be made with political subdivisions to
14 carry out the construction or reconstruction projects. If it is not
15 feasible for the work to be performed by state engineering forces, the
16 commissioner of Transportation and Public Facilities [PUBLIC WORKS] may
17 contract on a professional basis with private engineering firms for
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- (A) fuel consigned to foreign countries,
- (B) fuel sold for use in jet propulsion aircraft operating in flights to foreign countries,
- (C) fuel used in stationary power plants operating as public utility plants and generating electrical energy for sale to the general public,
- (D) fuel used by nonprofit power associations or corporations for generating electric energy for resale,
- (E) fuel used by charitable institutions, [OR]
- (F) fuel which is at least 10 percent alcohol by volume, or
- (G) fuel used in and on watercraft for any purpose; [.]

* Sec. 6. AS 43.40.010(f) is repealed.
* Sec. 7. This Act takes effect July 1, 1981.

STATE OF ALASKA

DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

JAY S. HAMMOND, GOVERNOR

POUCH 5
JUNEAU, ALASKA 99811

February 19, 1981

The Honorable Bill Ray
Chairman
Senate Transportation Committee
Room 103 - Capitol Building
Juneau, Alaska

Re: Senate Bill No. 182

Dear Senator Ray:

Senate Bill No. 182, an Act repealing the tax on motor fuel used in or on watercraft, was introduced in the Senate on February 16, 1981 and was referred to the Senate Transportation and Finance Committees.

For the consideration of the Senate Transportation Committee, I am enclosing copies of Fiscal Notes prepared by Mr. Gary Jenkins, Director, Audit Division and Mr. Vincent Wright, Research Section of the Department of Revenue concerning the proposed legislation.

Sincerely,

R. D. Stevenson
Special Assistant

cc: The Honorable Dor. Bennett
The Honorable M. E. Dankworth
Co-Chairmen
Senate Finance Committee

Joseph K. Donohue
Deputy Commissioner
Department of Revenue

Gary Jenkins, Director
Audit Division
Department of Revenue

Vincent Wright
Research Section
Department of Revenue

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SB 182
Title An Act repealing the tax on motor fuel used in or on watercraft.
Requested by Senate Transportation Committee Date Feb. 17, 1981

II. FISCAL DETAIL

Agency Affected Department of Revenue
Program Category Affected Revenue Collection and Management
BRU, Program, or Subprogram(s) Affected Audit Division

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars) - NONE

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
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200 TRAVEL						
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400 COMMODITIES						
500 EQUIPMENT						
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700 GRANTS, CLAIMS, ETC.						

TOTAL

FUNDING (Thousands of Dollars) - NONE

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS - NONE

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

This bill would repeal the marine motor fuel tax. It will have no effect on the administrative costs of this division.

IV. DATE Feb. 18, 1981 PREPARED BY Gary L. Jenkins
AGENCY Audit Division
PHONE 465-2320
Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. Senate Bill 192
 Title An Act repealing the tax on motor fuel used in or on watercraft
 Requested by Senate Transportation and Finance Committees Date 2/18/81

II. FISCAL DETAIL
 Agency Affected _____
 Program Category Affected _____
 BRU, Program, or Subprogram(s) Affected _____
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
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TOTAL						

FUNDING (Millions of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
GENERAL FUND	-0-	(3.6)	(3.8)	(4.0)	(4.2)	
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

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FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

The above estimates are based on the Department of Revenue's forecasting model.

IV. DATE 2/18/81 PREPARED BY Vincent D. Wright
 AGENCY Department of Revenue
 Original: Legislative Finance PHONE _____
 cc: Budget and Management
Prime Sponsor (First Legislator Named)

THIS BILL RESOLUTION

has been prepared by the staff of the Legal Services Division of the Legislative Affairs Agency in response to the request and at the direction of the sponsor. The staff has attempted to place it in proper legal and clerical form subject to any special limitations or instructions of the sponsor. Requests for bills and resolutions are kept confidential by the staff and any announcement of intent to have a document drafted or introduced is the prerogative and responsibility of the sponsoring member. The agency or its staff may not endorse or comment on policy matters involved in a bill or resolution. The substance and merits of a bill or resolution are the responsibility of the sponsor.

Delivered to sponsor: _____

2-20-81