

HOUSE BILL 1743

By Matheny

AN ACT to amend Tennessee Code Annotated, Title 4 and Title 67, relative to alternative fuel vehicles and fueling infrastructure.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 4-3-1109, is amended by deleting subsections (a), (d) and (e) in their entireties and substituting the following:

(a) The commissioner shall encourage the acquisition of energy-efficient and alternative fuel motor vehicles in the fleet of state vehicles. Each year, every effort should be made to achieve a target goal that one hundred percent (100%) of newly purchased passenger motor vehicles be energy-efficient or alternative fuel motor vehicles. The department shall ensure that at least twenty-five percent (25%) of newly purchased passenger motor vehicles procured for use in areas designated by the United States environmental protection agency (EPA) as nonattainment areas shall be hybrid-electric vehicles or vehicles powered by natural gas or propane; provided, that such vehicles and fueling infrastructure are available at the time of procurement and such vehicles are purchased at competitive prices. In the event that such vehicles or fueling infrastructure is not available at the time of procurement, the department may instead meet this mandate by procuring compact fuel-efficient vehicles. In areas not designated by the EPA as nonattainment areas, the department shall ensure that at least twenty-five percent (25%) of newly purchased passenger motor vehicles are hybrid-electric vehicles, vehicles powered by natural gas or propane, or compact fuel-efficient vehicles; provided that such vehicles are purchased at competitive prices.

(d) For purchases of vehicles that are not passenger motor vehicles, including cargo vans, trucks, and sport utility vehicles, the department is encouraged to make reasonable efforts to achieve a target goal that at least five percent (5%) of newly purchased vehicles are vehicles powered by natural gas or propane; provided, that such vehicles and fueling infrastructure are available at the time of procurement and such vehicles are purchased at competitive prices.

(e) In order to facilitate the development of natural gas and propane fueling infrastructure, the department is authorized to participate in such pilot projects as may be necessary to insure the availability of natural gas and propane fueling infrastructure throughout the interstate highway corridors in Tennessee.

SECTION 2. Tennessee Code Annotated, Section 4-3-1109, is further amended by deleting subdivision (c)(1)(F) in its entirety and substituting the following:

(F) A vehicle powered by natural gas or propane; or

SECTION 3. Tennessee Code Annotated, Section 4-22-101(b), is amended by inserting the following language after "natural gas vehicles": ", propane vehicles".

SECTION 4. Tennessee Code Annotated, Section 4-22-101, is amended by deleting subdivision (d)(1)(F) in its entirety and substituting the following:

(F) A vehicle powered by natural gas or propane; or

SECTION 5. Tennessee Code Annotated, Section 67-5-601, is amended by deleting subsection (f) in its entirety and substituting the following:

(f) The general assembly finds that any public utility property or commercial and industrial property that is used to engage in the fueling of natural gas or propane vehicles and that is a certified alternative fueling site as described in the definition of "certified green energy production facility" in § 67-4-2004, is generally capable of fueling fewer types of vehicles due to limited availability from original equipment manufacturers, that use of such alternative, domestically produced transportation fuels should be encouraged to improve air quality and to enhance our nation's energy security, and

immediate economic value for all purposes under this chapter should not initially exceed thirty percent (30%) of its total installed costs. The general assembly further finds that, unless the findings are considered in the determination of the sound, intrinsic, and immediate economic value of such property for all purposes under this chapter, investment in property for fueling alternative fuel vehicles will be unreasonably discouraged, denying the citizens of this state the environmental benefits and domestic energy security associated with the use of natural gas or propane as a transportation fuel. The assessor of property, in assessing any such commercial and industrial property, or the comptroller, in assessing any such public utility property, that engages in the fueling of motor vehicles with natural gas or propane, shall take these findings by the general assembly into account in determining the sound, intrinsic, and immediate economic value of such property, when the property is initially appraised and each time the property is reappraised. A copy of the facility certification issued by the department of environment and conservation shall be required in order to qualify for such valuation. The valuation of personal property under this section shall also apply to machinery and equipment utilized in a natural gas or propane vehicle fueling station. Such equipment shall include, but not be limited to: storage vessels, compressors, dryers, dispensers, piping, compressed or liquefied gas appliances, or any other item that is installed by a natural gas or propane provider.

SECTION 6. Tennessee Code Annotated, Section 67-4-2004, is amended by deleting subdivision (9)(B) in its entirety and replacing with the following language:

(B) A facility certified by the department of environment and conservation as an alternative motor vehicle fueling station that utilizes natural gas or propane in compressed or liquid form for the purpose of fueling motor vehicles and that is projected to displace more than six thousand (6,000) gallons of petroleum annually; or

SECTION 7. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 8. This act shall take effect upon becoming a law, the public welfare requiring it.