

1 HB552
2 159095-2
3 By Representative Wren
4 RFD: Transportation, Utilities and Infrastructure
5 First Read: 26-FEB-14

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8 SYNOPSIS: Under existing law, each person owning or
9 operating, or both, a motor vehicle that uses
10 natural gas is required to obtain an annual decal
11 from the Liquefied Petroleum Gas Board which shall
12 serve as an identification marker that the flat fee
13 has been paid.

14 This bill would suspend the requirement that
15 each person owning or operating, or both, a motor
16 vehicle that uses natural gas shall obtain an
17 annual decal from the Liquefied Petroleum Gas Board
18 which shall serve as an identification marker that
19 the flat fee has been paid. The suspension shall
20 end October 1, 2016.

21
22 A BILL
23 TO BE ENTITLED
24 AN ACT

25
26 To suspend the requirement that each person owning
27 or operating, or both, a motor vehicle that uses natural gas

1 shall obtain an annual decal from the Liquefied Petroleum Gas
2 Board which shall serve as an identification marker that the
3 flat fee has been paid, and to provide that the suspension
4 shall end on October 1, 2016.

5 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

6 Section 1. (a) The Legislature of Alabama makes the
7 following findings and statements:

8 (1) The reduction of the dependence on foreign oil
9 is necessary to reserve and protect our national security.

10 (2) Reliable and affordable energy is of great
11 importance to all sectors of Alabama's economy.

12 (3) Long-term sustainability of energy supply and
13 efficient and effective distribution of energy is becoming
14 increasingly important to Alabama's population growth and
15 economic expansion.

16 (4) The future energy needs of the state also
17 present opportunities to diversify the state's energy supply
18 and provide new opportunities for Alabama-based clean energy
19 technologies.

20 (5) The use of existing technology and development
21 of new technologies including compressed and liquefied natural
22 gas should be encouraged as a way of producing energy with
23 reduced emissions.

24 (b) The Legislature recognizes that it is in the
25 best interest of its citizens to remove existing barriers to
26 implementing natural gas distribution for motor vehicles until
27 such time as a comprehensive approach is established for

1 regulating and taxing natural gas for motor vehicles. This
2 includes temporarily eliminating the decals and associated
3 fees that are currently required of owners or operators of
4 motor vehicles using compressed and liquefied natural gas, as
5 well as temporarily suspending any motor fuel excise taxes due
6 on compressed or liquefied natural gas used as fuel for
7 vehicles.

8 Section 2. (a) The requirement to obtain a decal
9 from the Liquefied Petroleum Gas Board, as well as the
10 requirement to collect the motor fuel tax as prescribed in
11 Article 3A of Chapter 17 of Title 40, relating to motor
12 vehicles using compressed and liquefied natural gas as fuel,
13 are hereby suspended from the effective date of this act until
14 October 1, 2016.

15 (b) In the event that no comprehensive approach for
16 regulating and taxing natural gas used as fuel for motor
17 vehicles has been established by October 1, 2016, beginning on
18 that date each 5.66 pounds of compressed natural gas that is
19 taxable as motor fuel shall be taxed as one gallon of
20 gasoline, and each 6.06 pounds of liquefied natural gas that
21 is taxable as motor fuel shall be taxed as one gallon of
22 diesel fuel. Provided, however, that if the National
23 Conference for Weights and Measures establishes standards for
24 converting compressed natural gas to a gallon of gasoline and
25 for converting liquefied natural gas to a gallon of diesel
26 fuel, such standard conversions shall be used.

1 (c) Compressed natural gas and liquefied natural gas
2 may be sold in gallon equivalents as established in subsection
3 (b) until October 1, 2016. In the event that no comprehensive
4 approach for regulating and taxing natural gas used as fuel
5 for motor vehicles has been established at that time,
6 compressed natural gas and liquefied natural gas shall be sold
7 in gallon equivalents as established in subsection (b).

8 (d) This act shall not apply to remainder of Article
9 3A of Chapter 17 of Title 40.

10 Section 3. This act shall become effective
11 immediately following its passage and approval by the
12 Governor, or its otherwise becoming law.