

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

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ENROLLED, An Act,

To suspend the requirement that each person owning or operating, or both, a motor vehicle that uses natural gas shall obtain an annual decal from the Liquefied Petroleum Gas Board which shall serve as an identification marker that the flat fee has been paid, and to provide that the suspension shall end on October 1, 2016.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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

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

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

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

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

(5) The use of existing technology and development of new technologies including compressed and liquefied natural

1 gas should be encouraged as a way of producing energy with  
2 reduced emissions.

3 (b) The Legislature recognizes that it is in the  
4 best interest of its citizens to remove existing barriers to  
5 implementing natural gas distribution for motor vehicles until  
6 such time as a comprehensive approach is established for  
7 regulating and taxing natural gas for motor vehicles. This  
8 includes temporarily eliminating the decals and associated  
9 fees that are currently required of owners or operators of  
10 motor vehicles using compressed and liquefied natural gas, as  
11 well as temporarily suspending any motor fuel excise taxes due  
12 on compressed or liquefied natural gas used as fuel for  
13 vehicles.

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

21 (b) In the event that no comprehensive approach for  
22 regulating and taxing natural gas used as fuel for motor  
23 vehicles has been established by October 1, 2016, beginning on  
24 that date each 5.66 pounds of compressed natural gas that is  
25 taxable as motor fuel shall be taxed as one gallon of

1 gasoline, and each 6.06 pounds of liquefied natural gas that  
2 is taxable as motor fuel shall be taxed as one gallon of  
3 diesel fuel. Provided, however, that if the National  
4 Conference for Weights and Measures establishes standards for  
5 converting compressed natural gas to a gallon of gasoline and  
6 for converting liquefied natural gas to a gallon of diesel  
7 fuel, such standard conversions shall be used.

8 (c) Compressed natural gas and liquefied natural gas  
9 may be sold in gallon equivalents as established in subsection  
10 (b) until October 1, 2016. In the event that no comprehensive  
11 approach for regulating and taxing natural gas used as fuel  
12 for motor vehicles has been established at that time,  
13 compressed natural gas and liquefied natural gas shall be sold  
14 in gallon equivalents as established in subsection (b).

15 (d) This act shall not apply to remainder of Article  
16 3A of Chapter 17 of Title 40.

17 Section 3. This act shall become effective  
18 immediately following its passage and approval by the  
19 Governor, or its otherwise becoming law.

