

HB 2184 -- ALTERNATIVE FUEL TAX

SPONSOR: Korman

This bill imposes a tax on natural gas, compressed natural gas, and liquefied natural gas used in motor vehicles in the following amount:

- (1) On or after January 1, 2015, three cents per equivalent gallon of gasoline or diesel;
- (2) On or after January 1, 2019, six cents per equivalent gallon of gasoline or diesel;
- (3) On or after January 1, 2024, the greater of:
  - (a) Nine cents per equivalent gallon of gasoline or diesel; or
  - (b) Three percent of the average cost of alternative fuel per equivalent gallon of gasoline or diesel for the state for the proceeding year before any tax is imposed on the fuel.

All proceeds from this tax must be credited to the State Highways and Transportation Department Fund.

The conversion of natural gas, compressed natural gas, or liquefied natural gas to a gasoline or diesel equivalent must be set by a federal standard or agreement. When there is no federal standard or agreement, the conversion must follow the standard specified in the bill.

The alternative fuel decal fees placed on motor vehicles powered by natural gas, compressed natural gas, or liquefied natural gas must be reduced by one-third on each of the following dates:

- (1) January 1, 2015;
- (2) January 1, 2019; and
- (3) January 1, 2024, when the decal fee must be eliminated for vehicles powered by natural gas, compressed natural gas, or liquefied natural gas.