

STATE OF OKLAHOMA

1st Session of the 44th Legislature (1993)

HOUSE BILL NO. 1218

By: Tyler

AS INTRODUCED

An Act relating to alternative fuels; amending 74 O.S. 1991, Section 130.4, which relates to the Oklahoma Alternative Fuels Conversion Fund; updating references; modifying maximum amount allowed for vehicle conversion; amending 68 O.S. 1991, Section 723, as amended by Section 2, Chapter 306, O.S.L. 1992 (68 O.S. Supp. 1992, Section 723), which relates to special fuel use tax; deleting fee in lieu of tax for certain fuels; providing definition; providing for fee in lieu of tax for certain alternative fuels; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 74 O.S. 1991, Section 130.4, is amended to read as follows:

Section 130.4 A. There is hereby created in the State Treasury a revolving fund for the ~~Office of Public Affairs~~ Department of Central Services to be designated as the "Oklahoma Alternative Fuels Conversion Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the ~~Office of Public Affairs~~ Department of Central Services pursuant to Section ~~605~~ 130.5 of this title.

B. All monies accruing to the credit of the revolving fund shall be expended by the ~~Office of Public Affairs~~ Department of Central Services to reimburse expenses relative to the conversion of government vehicles and school vehicles to have the capability of being fueled by alternative fuels and/or the expenses relative to the installation of a fill station. The maximum amount expended per vehicle shall be the actual cost of vehicle conversion or ~~Three Thousand Five Hundred Dollars (\$3,500.00)~~ Six Thousand Dollars (\$6,000.00), whichever is less. The maximum amount expended per fill station shall be the actual cost of the installation or One Hundred Thousand Dollars (\$100,000.00), whichever is less. The balance on deposit in the fund shall never exceed the sum of Five Million Dollars (\$5,000,000.00).

C. Expenditures from the revolving fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of State Finance for approval and payment.

SECTION 2. AMENDATORY 68 O.S. 1991, Section 723, as amended by Section 2, Chapter 306, O.S.L. 1992 (68 O.S. Supp. 1992, Section 723) is amended to read as follows:

Section 723. A. ~~In lieu of the special fuel tax imposed by Sections 703, 705, 707.1, 707.2 and 707.3 of this title, there is hereby levied a flat fee of Fifty Dollars (\$50.00) on each passenger automobile, and on each pickup truck or van not exceeding one (1) ton in capacity, using liquefied petroleum gas or natural gas as fuel, except that no such fee shall be levied on any vehicle which is the subject of an exemption pursuant to Section 708 of this title. Provided that, should the passenger automobile, pickup truck or van have been acquired or should the liquefied petroleum gas or natural gas system be installed on or after July 1, the flat fee shall be Twenty-five Dollars (\$25.00) for the remainder of the calendar year, except as hereinafter provided~~ As used in this

section, the term "alternative fuel" shall mean fuels which result in comparably lower emissions of oxides of nitrogen, volatile organic compounds, carbon monoxide, or particles or any combination thereof and includes compressed natural gas, liquefied natural gas, liquefied petroleum gas, ethanol, and electricity.

B. Beginning January 1, ~~1991~~ 1994, in lieu of the special fuel tax imposed by Sections 703, 705, 707.1, 707.2 and 707.3 of this title, there is hereby levied a flat fee of One Hundred Dollars (\$100.00) on each passenger automobile, and on each pickup truck or van not exceeding one (1) ton in capacity, using ~~compressed natural gas or liquefied natural gas as~~ an alternative fuel, except that no such fee shall be levied on any vehicle which is the subject of an exemption pursuant to Section 708 of this title. ~~Provided that,~~ ~~should~~ Should the passenger automobile, pickup truck or van have been acquired or should the ~~compressed natural gas or liquefied natural gas~~ alternative fuel system be installed on or after July 1, the flat fee shall be Fifty Dollars (\$50.00) for the remainder of the calendar year, except as hereinafter provided.

C. Beginning January 1, 1993, in lieu of the special fuel tax imposed by Sections 703, 705, 707.1, 707.2 and 707.3 of this title, there is hereby levied a flat fee of One Hundred Fifty Dollars (\$150.00) on each vehicle exceeding one (1) ton in capacity, using ~~liquefied petroleum gas, compressed natural gas or liquefied natural gas as~~ an alternative fuel, except that no such fee shall be levied on any vehicle which is the subject of an exemption pursuant to Section 708 of this title. ~~Provided that,~~ ~~should~~ Should the vehicle be acquired or should the ~~compressed natural gas or liquefied natural gas~~ alternative fuel system be installed on or after July 1, the flat fee shall be Seventy-five Dollars (\$75.00) for the remainder of the calendar year, except as hereinafter provided.

D. Every person operating a vehicle using ~~liquefied petroleum gas, liquefied natural gas or compressed natural gas as~~ an

alternative fuel shall make application for and obtain a decal to be issued on a yearly basis by the Oklahoma Tax Commission on forms prescribed and furnished by the Tax Commission.

E. Every person required to make application for and receive a decal under this section shall, at the time of making said application, remit to the Tax Commission the total amount of the fee due.

F. Each decal issued by the Tax Commission pursuant to the provisions of this section, shall expire on December 31 of every year, and in addition thereto said decals shall be displayed in the lower right hand corner of the front windshield of said vehicle. Upon receipt of satisfactory proof by the Tax Commission that it has become necessary to replace the windshield of the vehicle for which the decal was issued, another decal shall be issued by the Tax Commission as a replacement for a fee of One Dollar (\$1.00).

G. When any vehicle using ~~liquefied petroleum gas, liquefied natural gas or compressed natural gas~~ as an alternative fuel and displaying a current decal as provided in this section is sold, such decal shall remain with the vehicle sold, unless the equipment installed to enable the vehicle to use ~~liquefied petroleum gas, liquefied natural gas or compressed natural gas~~ an alternative fuel has been removed from the vehicle before the sale.

H. When the aforementioned equipment has been removed before the sale, the seller of the vehicle shall also remove the decal required of vehicles using ~~liquefied petroleum gas, liquefied natural gas or compressed natural gas~~ an alternative fuel. The removed decal, a receipt from the Oklahoma Tax Commission showing that the fee required has been paid for the current year, and the payment of a one-dollar fee for duplicate decal shall entitle the seller to make application for and obtain a new decal to be used for the remainder of the year on any vehicle using ~~liquefied petroleum~~

~~gas, liquefied natural gas or compressed natural gas~~ an alternative fuel in accordance with the provisions of this section.

I. Provisions contained in Sections 701 through 721 of this title shall not apply to any vehicle using ~~liquefied petroleum gas, liquefied natural gas or compressed natural gas~~ an alternative fuel.

J. All funds derived from the fee imposed by subsection A of this section shall be deposited annually in the General Revenue Fund of the State Treasury by the Tax Commission. When any person fails to obtain a current decal within thirty (30) days of the date said decal is required as provided in this section, there shall become due and payable a penalty of twenty percent (20%) of the fee in addition to the fee. Said penalty to be deposited in the same manner as the fee pursuant to this subsection.

K. All funds derived from the fee imposed by subsections B and C of this section shall be collected by the Oklahoma Tax Commission and apportioned annually to the State Transportation Fund. When any person fails to obtain a current decal within thirty (30) days of the date such decal is required as provided in this section, there shall become due and payable a penalty of twenty percent (20%) of the fee in addition to the fee. Such penalty shall be deposited in the same manner as the fee pursuant to this subsection.

SECTION 3. This act shall become effective January 1, 1994.

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