

Committee on Transportation

CS/HB 579 — Natural Gas Motor Fuel

by Regulatory Affairs Committee; Energy and Utilities Subcommittee; and Rep. Ray and others (CS/CS/SB 560 by Appropriations Committee; Transportation Committee; and Senators Simpson, Bean, Bradley, Stargel, Latvala, Grimsley, Evers, Soto, Ring, Gibson, Hays, Lee, Altman, Thompson, Garcia and Diaz de la Portilla)

The bill repeals the decal fee program for motor vehicles powered by alternative fuels, repeals the sales tax on alternative fuels, establishes a new fuel tax structure for motor vehicles powered by natural gas, and creates a natural gas fuel fleet vehicle rebate program. Specifically, the bill:

- Creates part V of ch. 206, F.S., entitled “Natural Gas Fuel.”
- Repeals the current decal fee program for motor vehicles powered by alternative fuels effective January 1, 2014.
- Establishes a fuel tax structure for natural gas used as a motor fuel, beginning January 1, 2019.
- Relocates statutory provisions relating to licenses for retailers of alternative fuel and related reporting requirements and provides penalties for acting as a retailer without a license.
- Provides exemptions from the tax and refunds of the tax on natural gas fuel when used for specified purposes.
- Revises the distribution of the proceeds of the taxes imposed on natural gas.
- Expands the definition of “energy efficiency improvement” to include “installation of systems for natural gas fuel” under uses authorized by the Local Government Infrastructure Surtax.
- Exempts natural gas and natural gas fuel placed into the fuel supply system of a motor vehicle from sales tax.
- Directs the Office of Program Policy Analysis and Government Accountability (OPPAGA) to complete a report reviewing the taxation of natural gas fuel used to power motor vehicles by December 1, 2017.
- Creates a natural gas fuel fleet vehicle rebate program within the Department of Agriculture and Consumer Services (DACS) and appropriates an annual \$6 million from General Revenue for FY 2013-2014 - FY 2017-2018 to fund the program.
- Requires DACS to provide an annual assessment of the rebate program.
- Requires OPPAGA to release a report reviewing the fleet vehicle rebate program by January 31, 2016.

If approved by the Governor, except as otherwise provided, these provisions take effect January 1, 2014.

Vote: Senate 39-0; House 116-2