

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 303 Session of
2013

INTRODUCED BY WATSON, AUMENT, BAKER, CAUSER, COHEN, CUTLER,
DENLINGER, EVANKOVICH, GODSHALL, GRELL, GROVE, C. HARRIS,
HICKERNELL, KAUFFMAN, F. KELLER, M. K. KELLER, KORTZ,
MARSHALL, MATZIE, MICOZZIE, MILLER, MOUL, PICKETT, QUINN,
ROCK, SAYLOR, SIMMONS, SWANGER, GINGRICH, GABLER, PEIFER,
MURT AND GIBBONS, FEBRUARY 5, 2013

AS REPORTED FROM COMMITTEE ON ENVIRONMENTAL RESOURCES AND
ENERGY, HOUSE OF REPRESENTATIVES, AS AMENDED, APRIL 10, 2013

AN ACT

1 Establishing the Clean Transit Program; and providing a transfer <--
2 of funds from the Oil and Gas Lease Fund FOR AN INTERFUND <--
3 TRANSFER to the Department of Environmental Protection for a
4 loan program for the transition of large mass transit bus
5 fleets to compressed natural gas.

6 The General Assembly of the Commonwealth of Pennsylvania
7 hereby enacts as follows:

8 Section 1. Short title.

9 This act shall be known and may be cited as the Clean Transit
10 Act.

11 Section 2. Definitions.

12 The following words and phrases when used in this act shall
13 have the meanings given to them in this section unless the
14 context clearly indicates otherwise:

15 "Department." The Department of Environmental Protection of
16 the Commonwealth.

17 "Large mass transit authority." A mass transit authority

located in this Commonwealth that exceeds 245,000 revenue vehicle hours for two consecutive years.

"Mass transit authority." An operator of regularly scheduled transportation that is available to the general public and is provided according to published schedules along designated published routes with specified stopping points for the taking on and discharging of passengers. The term does not include exclusive ride taxi services, charter or sightseeing services, nonpublic transportation or school bus or limousine services.

"Program." The Clean Transit Program.

Section 3. Clean Transit Program.

(a) Establishment.--The department shall establish and administer the Clean Transit Program.

(b) Purpose.--The program is established in order to decrease emissions from ~~mass transit buses~~ BUSES OF LARGE MASS TRANSIT AUTHORITIES by utilizing natural gas as a vehicle fuel.

(c) Transfer of funds.--The State Treasurer shall transfer ~~from the Oil and Gas Lease Fund to the department the sum of~~ \$7,500,000 OF THE UTILITIES' GROSS RECEIPTS TAX COLLECTED DURING THE 2013-2014 FISCAL YEAR UNDER ARTICLE XI OF THE ACT OF MARCH 4, 1971 (P.L.6, NO.2), KNOWN AS THE TAX REFORM CODE OF 1971, FROM THE GENERAL FUND TO THE DEPARTMENT to fund the program.

(d) Use of funds.--The sum of \$7,500,000 shall be deposited into a fund to be administered by the department and made available to large mass transit authorities for the conversion of buses to run on compressed natural gas as a fuel source, to purchase buses which use compressed natural gas as a fuel source or to construct generation facilities powered by compressed natural gas for the purpose of powering rail transit. The following shall apply:

1 (1) The money in the fund shall be appropriated on a
2 continuing basis.

3 (2) No more than 1.5% of the fund may be used for
4 administration.

5 (3) The department may set terms applicable to loans in
6 any manner it deems appropriate, subject to the provisions of
7 this act.

8 (e) Application process.--

9 (1) A LARGE mass transit authority must complete and <--
10 submit to the department a clean transit loan application.

11 (2) Approved applications must obligate the LARGE mass <--
12 transit authority to contract with a private company:

13 (i) to build exclusively with private funds; and

14 (ii) to maintain and operate any new compressed
15 natural gas fueling facility necessary to support
16 compressed natural gas buses purchased with funds
17 received under this act.

18 (3) The term "operate" as used in this subsection shall
19 not include the actual act of fueling buses.

20 (f) Eligible costs.--

21 (1) Loan funds received under this act shall be eligible
22 for:

23 (i) Federally assisted bus purchases and CONVERSIONS <--
24 AND shall be limited to the total percentage of the State
25 and local match portion applied only to the incremental
26 cost of a new compressed natural gas bus or compressed
27 natural gas bus conversion.

28 (ii) Nonfederally assisted bus purchases and
29 CONVERSIONS AND shall be limited to 50% of the total <--
30 incremental cost of a new compressed natural gas bus or

1 compressed natural gas bus conversion.

2 (2) The incremental cost shall be capped at \$50,000 for
3 buses which have a gross vehicle weight rating over 26,000
4 pounds and \$25,000 for buses with a gross vehicle weight
5 rating of 26,000 pounds and under.

6 (3) Buses with a gross vehicle weight rating of 14,000
7 pounds or less shall be ineligible.

8 (4) Priority shall be given to those applications which
9 provide for public access to compressed natural gas vehicle
10 fueling dispensers.

11 (g) Loan program.--The department shall establish a formula
12 and method for awarding of loans under the program consistent
13 with this act.

14 (h) Fund repayment.--

15 (1) Loans disbursed from the fund under subsection (d)
16 shall be repaid within five years from disbursement and
17 before June 30, 2023.

18 (2) On June 30, 2023, no money shall be deposited into
19 the fund and any remaining money in the fund shall be
20 transferred to the ~~Oil and Gas Lease~~ GENERAL Fund. <--

21 (3) The interest rate for loans provided by the program
22 shall be 2%.

23 (i) Appeal process.--Applicants that are not awarded grants
24 under this act shall not have the right to a hearing or the
25 issuance of an adjudication under section 4 of the act of July
26 13, 1988 (P.L.530, No.94), known as the Environmental Hearing
27 Board Act, regarding the department's decision.

28 Section 20. Effective date.

29 This act shall take effect in 60 days.