
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2588 Session of
2008

INTRODUCED BY DePASQUALE, BENNINGTON, BOBACK, CALTAGIRONE,
CARROLL, COHEN, CONKLIN, COSTA, CURRY, DALEY, DERMODY,
DeWEESE, EACHUS, FRANKEL, FREEMAN, GALLOWAY, GERBER, GIBBONS,
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MYERS, NAILOR, M. O'BRIEN, OLIVER, PALLONE, PASHINSKI, PAYNE,
PAYTON, PETRARCA, PETRI, READSHAW, REICHLEY, ROCK, RUBLEY,
SABATINA, SAINATO, SANTONI, SCAVELLO, SHAPIRO, SIPTROTH,
K. SMITH, M. SMITH, STURLA, SURRA, R. TAYLOR, VITALI, WAGNER,
WALKO, WANSACZ, WHEATLEY, J. WHITE, BRENNAN AND YOUNGBLOOD,
JUNE 4, 2008

REFERRED TO COMMITTEE ON ENVIRONMENTAL RESOURCES AND ENERGY,
JUNE 4, 2008

AN ACT

1 Amending the act of November 29, 2004 (P.L.1376, No.178),
2 entitled "An act relating to alternative fuels; establishing
3 the Alternative Fuels Incentive Fund; authorizing grants and
4 rebates to promote the use of alternative fuels; imposing
5 duties on the Department of Environmental Protection;
6 providing for an annual report; allocating funds collected
7 from the utilities gross receipts tax; making an
8 appropriation; abrogating regulations; and making a repeal,"
9 further providing for the Alternative Fuels Incentive Fund.

10 The General Assembly of the Commonwealth of Pennsylvania
11 hereby enacts as follows:

12 Section 1. Section 3(a) and (b) of the act of November 29,
13 2004 (P.L.1376, No.178), known as the Alternative Fuels
14 Incentive Act, are amended to read:

15 Section 3. Alternative Fuels Incentive Fund.

1 (a) Establishment.--There is hereby established a separate
2 account in the State Treasury to be known as the Alternative
3 Fuels Incentive Fund. This fund shall be administered by the
4 department. The fund shall consist of that portion of revenues
5 allocated from the utilities gross receipts tax as set forth in
6 section [5] 6.

7 (b) Expenditures.--

8 (1) Moneys from the fund shall be expended by the
9 department:

10 (i) As grants to school districts, municipal
11 authorities, political subdivisions, nonprofit entities,
12 corporations, limited liability companies or partnerships
13 incorporated or registered in this Commonwealth to
14 provide funding for:

15 (A) The expenses relative to retrofitting
16 vehicles to operate on alternative fuels as either a
17 bi-fuel, dual-fuel, hybrid or dedicated vehicle.

18 (B) The incremental cost of purchase of bi-fuel,
19 dual-fuel, hybrid or dedicated vehicles.

20 (C) The cost to purchase and install the
21 necessary fleet refueling or home-refueling equipment
22 for bi-fuel, dual-fuel, hybrid or dedicated vehicles.

23 (D) The cost to perform research, training
24 development and demonstration of new applications or
25 next-phase technology related to alternative fuel
26 vehicles.

27 (ii) As grants to individual residents of this
28 Commonwealth who purchase an alternative fuel vehicle for
29 the cost to purchase and install the necessary home
30 refueling equipment for bi-fuel, dual-fuel, hybrid or

1 dedicated vehicles.

2 (iii) As grants to school districts, municipal
3 authorities, political subdivisions and nonprofit
4 entities to cover the incremental cost to purchase
5 biofuel.

6 (iv) As rebates of at least \$1,000 to residents of
7 this Commonwealth to meet the incremental cost to
8 individuals who purchase a bi-fuel, dual-fuel, hybrid or
9 dedicated vehicle.

10 (1.1) Notwithstanding any other provision of this act,
11 of the funds expended under paragraph (1) at least 25% shall
12 be expended annually by the department as rebates under
13 paragraph (1)(iv).

14 (2) Moneys from the fund may be expended by the
15 department as reimbursement of up to 5¢ per gallon in a
16 calendar year for up to 12,500,000 gallons of renewable fuels
17 produced by a qualified renewable fuels producer.

18 (3) One year after the effective date of this act and
19 for every year thereafter, the amount of funding by the
20 department under this subsection shall be evaluated to
21 determine whether an adjustment in funding level is
22 appropriate. The evaluation criteria shall be based on
23 economic and regulatory conditions that affect the
24 feasibility of alternative fuels and the financial solvency
25 of the fund. At no time shall the grant or rebate funding
26 amount be below the amounts specified in this section.

27 (4) No more than 2% of the fund may be used to
28 administer the provisions of this act.

29 (5) No more than 10% of the fund may be awarded to any
30 one school district, municipal authority, political

1 subdivision, nonprofit entity, corporation, limited liability
2 company, partnership or resident of this Commonwealth in any
3 one year, provided that the total amount of grants awarded
4 and rebates provided to grant and rebate recipients within a
5 political subdivision in a year shall not exceed 15% of the
6 fund. However, if the total grant and rebate money to be
7 awarded in that year is less than the total grant money
8 available for that year, the department may increase the 10%
9 and 15% funding levels established under this paragraph not
10 to exceed 40% of the fund.

11 * * *

12 Section 2. All rules and regulations are abrogated to the
13 extent that they are inconsistent with the amendment of section
14 3(a) and (b) of the act.

15 Section 3. This act shall take effect in 60 days.