

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 22

Special Session No. 1 of
2007-2008

INTRODUCED BY TOMLINSON, M. WHITE, PILEGGI, WASHINGTON,
RAFFERTY, ERICKSON, GORDNER, STOUT, BOSCOLA AND PIPPY,
OCTOBER 16, 2007

REFERRED TO ENERGY POLICIES, OCTOBER 16, 2007

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(b) and (d) 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.

16 * * *

17 (b) Expenditures.--

18 (1) Moneys from the fund shall be expended by the
19 department:

20 (i) As grants to school districts, municipal
21 authorities, political subdivisions, nonprofit entities,

1 corporations, limited liability companies or partnerships
2 incorporated or registered in this Commonwealth to
3 provide funding for:

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

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

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

12 (D) The cost to perform research, training
13 development and demonstration of new applications or
14 next-phase technology related to alternative fuel
15 vehicles.

16 (ii) As grants to individual residents of this
17 Commonwealth who purchase an alternative fuel vehicle for
18 the cost to purchase and install the necessary home
19 refueling equipment for bi-fuel, dual-fuel, hybrid or
20 dedicated vehicles.

21 (iii) As grants to school districts, municipal
22 authorities, political subdivisions and nonprofit
23 entities to cover the incremental cost to purchase
24 biofuel.

25 (iv) As rebates to residents of this Commonwealth to
26 meet the incremental cost to individuals who purchase a
27 bi-fuel, dual-fuel, hybrid or dedicated vehicle.

28 (2) Moneys from the fund may be expended by the
29 department as reimbursement of up to [5¢] 10¢ per gallon in a
30 calendar year for up to 12,500,000 gallons of renewable fuels

1 produced by a qualified renewable fuels producer.

2 (3) One year after the effective date of this act and
3 for every year thereafter, the amount of funding by the
4 department under this subsection shall be evaluated to
5 determine whether an adjustment in funding level is
6 appropriate. The evaluation criteria shall be based on
7 economic and regulatory conditions that affect the
8 feasibility of alternative fuels and the financial solvency
9 of the fund. At no time shall the grant or rebate funding
10 amount be below the amounts specified in this section.

11 (4) No more than [2%] 1% of the fund may be used to
12 administer the provisions of this act.

13 (4.1) No more than 1% of the fund may be used to educate
14 and do outreach to car dealers and consumers about this
15 program.

16 (5) No more than 10% of the fund may be awarded to any
17 one school district, municipal authority, political
18 subdivision, nonprofit entity, corporation, limited liability
19 company, partnership or resident of this Commonwealth in any
20 one year, provided that the total amount of grants awarded
21 and rebates provided to grant and rebate recipients within a
22 political subdivision in a year shall not exceed 15% of the
23 fund. However, if the total grant and rebate money to be
24 awarded in that year is less than the total grant money
25 available for that year, the department may increase the 10%
26 and 15% funding levels established under this paragraph not
27 to exceed 40% of the fund.

28 * * *

29 (d) Rebate program.--There is hereby established a rebate
30 program within the department for individuals residing in this

Commonwealth who purchase a hybrid, biodiesel or other
alternative fuel vehicle.

(1) The department shall establish a formula and method for the awarding of rebates under this program. The department shall publish this information yearly in the Pennsylvania Bulletin and may also publish this information on the department's World Wide Web site. Rebates shall be provided to the extent that funding is available for this purpose. To the extent that applications for rebates exceed the available funds for this program, the department may award rebates on a pro rata basis.

(2) A request for a rebate must be submitted to the department no later than six months after the purchase date of the hybrid vehicle, in a form and manner prescribed by the department. The department shall provide an application form to an individual upon request, and the department may make the application form on its World Wide Web site or through the place of purchase of the hybrid vehicle.

(3) Applicants shall provide a copy of a valid Pennsylvania vehicle registration and proof of purchase when making a request for a rebate under this program.

Section 2. This act shall take effect in 60 days.