

FIRST REGULAR SESSION

HOUSE BILL NO. 614

103RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE WALLER.

1584H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal section 142.869, RSMo, and to enact in lieu thereof one new section relating to alternative fuel decals.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 142.869, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 142.869, to read as follows:

142.869. 1. **(1)** The tax imposed by this chapter shall not apply to passenger motor vehicles, buses as defined in section 301.010, or commercial motor vehicles registered in this state which are powered by alternative fuel, and for which a valid decal has been acquired as provided in this section, provided that sales made to alternative fueled vehicles powered by propane, compressed natural gas, or liquefied natural gas that do not meet the requirements of subsection 4 of this section shall be taxed exclusively pursuant to subdivisions (4) to (7) of subsection 1 of section 142.803, respectively. The owners or operators of such motor vehicles, except plug-in electric hybrids, shall, in lieu of the tax imposed by section 142.803, pay an annual alternative fuel decal fee as follows: seventy-five dollars on each passenger motor vehicle, school bus as defined in section 301.010, and commercial motor vehicle with a licensed gross vehicle weight of eighteen thousand pounds or less; one hundred dollars on each motor vehicle with a licensed gross weight in excess of eighteen thousand pounds but not more than thirty-six thousand pounds used for farm or farming transportation operations and registered with a license plate designated with the letter "F"; one hundred fifty dollars on each motor vehicle with a licensed gross vehicle weight in excess of eighteen thousand pounds but less than or equal to thirty-six thousand pounds, and each passenger-carrying motor vehicle subject to the registration fee provided in sections 301.059, 301.061 and

EXPLANATION — Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

18 301.063; two hundred fifty dollars on each motor vehicle with a licensed gross weight in
19 excess of thirty-six thousand pounds used for farm or farming transportation operations and
20 registered with a license plate designated with the letter "F"; and one thousand dollars on each
21 motor vehicle with a licensed gross vehicle weight in excess of thirty-six thousand pounds.
22 Owners or operators of plug-in electric hybrids shall pay one-half of the stated annual
23 alternative fuel decal fee. Notwithstanding provisions of this section to the contrary, motor
24 vehicles licensed as historic under section 301.131 which are powered by alternative fuel
25 shall be exempt from both the tax imposed by this chapter and the alternative fuel decal
26 requirements of this section. For the purposes of this section, a plug-in electric hybrid shall
27 be any hybrid vehicle made by a manufacturer with a model year of 2018 or newer, that has
28 not been modified from the original manufacturer specifications, with an internal combustion
29 engine and batteries that can be recharged by connecting a plug to an electric power source.

30 **(2) Notwithstanding the provisions of subdivision (1) of this subsection to the**
31 **contrary, the director shall provide owners of vehicles required to purchase an**
32 **alternative fuel decal under subdivision (1) of this subsection the option of purchasing a**
33 **biennial alternative fuel decal for a fee of twice the annual alternative fuel decal fee**
34 **stated in subdivision (1) of this subsection.**

35 2. Beginning January 1, 2022, the fees in subsection 1 of this section shall be
36 increased by twenty percent of the fee in effect on August 28, 2021, per year for a period of
37 five years, except that the fee for motor vehicles with a licensed gross vehicle weight in
38 excess of thirty-six thousand pounds shall be increased by ten percent of the fee in effect on
39 August 28, 2021, per year for a period of five years.

40 3. Except interstate fuel users and vehicles licensed under a reciprocity agreement as
41 defined in section 142.617, the tax imposed by section 142.803 shall not apply to motor
42 vehicles registered outside this state which are powered by alternative fuel other than
43 propane, compressed natural gas, and liquefied natural gas, and for which a valid temporary
44 alternative fuel decal has been acquired as provided in this section. The owners or operators
45 of such motor vehicles shall, in lieu of the tax imposed by section 142.803, pay a temporary
46 alternative fuel decal fee of eight dollars on each such vehicle. Such decals shall be valid for
47 a period of fifteen days from the date of issuance and shall be attached to the lower right-hand
48 corner of the front windshield on the motor vehicle for which it was issued. Such decal and
49 fee shall not be transferable. All proceeds from such decal fees shall be deposited as specified
50 in section 142.345. Alternative fuel dealers selling such decals in accordance with rules and
51 regulations prescribed by the director shall be allowed to retain fifty cents for each decal fee
52 timely remitted to the director.

53 4. Owners or operators of passenger motor vehicles, buses as defined in section
54 301.010, or commercial motor vehicles registered in this state which are powered by

55 compressed natural gas or liquefied natural gas who have installed a compressed natural gas
56 fueling station or liquefied natural gas fueling station used solely to fuel the motor vehicles
57 they own or operate as of December 31, 2015, may continue to apply for and use the
58 alternative fuel decal in lieu of paying the tax imposed under subdivisions (4) and (5) of
59 subsection 1 of section 142.803. Owners or operators of compressed natural gas fueling
60 stations or liquefied natural gas fueling stations whose vehicles bear an alternative fuel decal
61 shall be prohibited from selling or providing compressed natural gas or liquefied natural gas
62 to any motor vehicle they do not own or operate. Owners or operators of motor vehicles
63 powered by compressed natural gas or liquefied natural gas bearing an alternative fuel decal
64 after January 1, 2016, that decline to renew the alternative fuel decals for such motor vehicles
65 shall no longer be eligible to apply for and use alternative fuel decals under this subsection.
66 Any compressed natural gas or liquefied natural gas obtained at any fueling station not owned
67 by the owner or operator of the motor vehicle bearing an alternative fuel decal shall be subject
68 to the tax under subdivisions (4) and (5) of subsection 1 of section 142.803.

69 5. An owner or operator of a motor vehicle powered by propane may continue to
70 apply for and use the alternative fuel decal in lieu of paying the tax imposed under
71 subdivision (6) of subsection 1 of section 142.803. If the appropriate motor fuel tax under
72 subdivision (6) of subsection 1 of section 142.803 is collected at the time of fueling, an
73 operator of a propane fueling station that uses quick-connect fueling nozzles may sell propane
74 as a motor fuel without verifying the application of a valid Missouri alternative fuel decal. If
75 an owner or operator of a motor vehicle powered by propane that bears an alternative fuel
76 decal refuels at an unattended propane refueling station, such owner or operator shall not be
77 eligible for a refund of the motor fuel tax paid at such refueling.

78 6. The director shall annually **or biennially**, on or before January thirty-first of each
79 year, collect or cause to be collected from owners or operators of the motor vehicles specified
80 in subsection 1 of this section the annual **or biennial** decal fee. Applications for such decals
81 shall be supplied by the department of revenue. In the case of a motor vehicle which is not in
82 operation by January thirty-first of any year, **or a fractional period of such year and a**
83 **whole year**, a decal may be purchased for a fractional period of such year, and the amount of
84 the decal fee shall be reduced by one-twelfth for each complete month which shall have
85 elapsed since the beginning of such year. This subsection shall not apply to an owner or
86 operator of a motor vehicle powered by propane who fuels such vehicle exclusively at
87 unattended fueling stations that collect the motor fuel tax.

88 7. Upon the payment of the fee required by subsection 1 of this section, the director
89 shall issue a decal, which shall be valid for the current calendar year, **or the current calendar**
90 **year and the subsequent calendar year in the case of a biennial alternative fuel decal,**

91 and **such decal** shall be attached to the lower right-hand corner of the front windshield on the
92 motor vehicle for which it was issued.

93 8. The decal fee paid pursuant to subsection 1 of this section for each motor vehicle
94 shall be transferable upon a change of ownership of the motor vehicle and, if the LP gas or
95 natural gas equipment is removed from a motor vehicle upon a change of ownership and is
96 reinstalled in another motor vehicle, upon such reinstallation. Such transfers shall be
97 accomplished in accordance with rules and regulations promulgated by the director.

98 9. It shall be unlawful for any person to operate a motor vehicle required to have an
99 alternative fuel decal upon the highways of this state without a valid decal unless the motor
100 vehicle is exclusively fueled at propane, compressed natural gas, or liquefied natural gas
101 fueling stations that collect the motor fuel tax.

102 10. No person shall cause to be put, or put, any alternative fuel into the fuel supply
103 receptacle or battery of a motor vehicle required to have an alternative fuel decal unless the
104 motor vehicle either has a valid decal attached to it or the appropriate motor fuel tax is
105 collected at the time of such fueling.

106 11. Any person violating any provision of this section is guilty of an infraction and
107 shall, upon conviction thereof, be fined five hundred dollars.

108 12. Motor vehicles displaying a valid alternative fuel decal are exempt from the
109 licensing and reporting requirements of this chapter.

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