
Transportation Committee

HB 2821

Brief Description: Protecting student health by providing incentives for the use of clean-burning alternative fuels in school buses.

Sponsors: Representatives Sullivan, Cooper, Wood, Hunt, Upthegrove, Linville, Murray, Simpson, G., Morrell, Darneille, Chase, Kagi and Dickerson.

Brief Summary of Bill

- Exempts biodiesel fuel, natural gas and liquefied petroleum gas from Washington State's special fuel taxes if used in a school district or a commercial chartered bus service used in a student transportation program.

Hearing Date: 2/2/04

Staff: Jerry Long (786-7306).

Background:

Biodiesel is a domestically produced clean burning alternative fuel which is produced from domestic renewable resources. Biodiesel contains no petroleum, but it can be used as a pure fuel or blended with petroleum in any percentage. Biodiesel has been designated as an alternative fuel by the Department of Energy and the U.S. Department of Transportation. In January 2002, the American Society of Testing and Materials established quality standards for biodiesel being purchased or sold in the United States.

Biodiesel can be used in unmodified compression ignition diesel engines with current fueling infrastructures. Primary users of biodiesel are fleets due to the reduction in exhaust emissions. Fleets that are covered by the Energy Policy Act are allowed to use biodiesel in meeting their alternative fuel purchase requirements. The State's special fuel tax on biodiesel is 28 cents a gallon.

Motor vehicles may also use natural gas or liquefied petroleum gas. The gas is tax at 28 cents for each 100 cubic feet of compressed natural gas, measured at standard pressure and temperature. In order to encourage the use of non-polluting fuels, an annual license fee in lieu of the 28 cents a gallon shall be imposed on the use of natural gas or propane. The annual fee is \$45 to \$250 depending on the vehicle's gross weight

Summary of Bill:

Every student transportation program, whether operated by a school district or a commercial chartered bus service would be exempt from the State's special fuel taxes if using at least twenty percent blended biodiesel, natural gas or liquefied petroleum gas. If biodiesel fuel is used, it must meet the testing and material specification D 6751 set by the American Society of Testing and Materials.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect July 1, 2004.