

SENATE BILL REPORT

SB 6647

As of February 2, 2004

Title: An act relating to protecting student health by providing incentives for the use of clean-burning alternative fuels in school buses.

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

Sponsors: Senators Murray, Kline, Sheahan, Poulsen, Swecker, Rasmussen and McAuliffe.

Brief History:

Committee Activity: Natural Resources, Energy & Water: 2/5/04.

SENATE COMMITTEE ON NATURAL RESOURCES, ENERGY & WATER

Staff: Richard Rodger (786-7461)

Background: Biodiesel is a nonpetroleum diesel fuel produced from renewable sources such as vegetable oils, animal fats, and recycled cooking oils. It can be blended at any percentage with petroleum diesel or used as a pure product. 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 taxed at 28 cents for each 100 cubic feet of compressed natural gas. In order to encourage the use of non-polluting fuels an annual license fee, in lieu of the 28 cents a gallon tax, is imposed on the use of natural gas or propane vehicles. 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, is exempt from the special fuel taxes, if the district or service is using natural gas or liquified petroleum gas, or biodiesel in a blend of at least 20 percent by volume.

Appropriation: None.

Fiscal Note: Available.

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