

Amendment - 1st Reading-white - (H) Transportation

- 2023

68th Legislature 2023

Drafter: Sara Hess, (406) 444-4838

HB0823.001.002

1 HOUSE BILL NO. 823
2 INTRODUCED BY D. LOGE
3
4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING ALTERNATIVE FUEL TAX LAWS; PROVIDING FOR
5 AN ALTERNATIVE FUEL DEALERS LICENSE; PROVIDING FOR A TAX ON HYDROGEN FUEL AND
6 OTHER ALTERNATIVE FUELS EQUAL TO THE GASOLINE GALLON EQUIVALENCY; PROVIDING
7 DEFINITIONS; AMENDING SECTIONS 15-70-123, 15-70-124, 15-70-701, 15-70-702, 15-70-703, 15-70-704,
8 15-70-705, 15-70-706, 15-70-707, 15-70-711, 15-70-712, 15-70-713, 15-70-714, 15-70-715, 15-70-716, 15-70-
9 717, AND 15-70-718, MCA; AND PROVIDING EFFECTIVE DATES."

10
11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

12
13 **Section 1.** Section 15-70-123, MCA, is amended to read:

14 **"15-70-123. Report by unlicensed petroleum-fuel dealer -- definition -- penalty.** (1) The
15 department of transportation may require a petroleum-fuel dealer who is not licensed by the department under
16 Title 15, chapter 70, to file, within 30 days of the end of a quarter, on a form prescribed by the department a
17 report of the amount of fuel received and sold during the quarter. The report must also contain other information
18 as required by the department.

19 (2) As used in this section, "petroleum fuel dealer" means a dealer who:

20 (a) is directly or indirectly engaged in delivering, transporting, or distributing gasoline, aviation
21 gasoline, special fuel, liquefied petroleum gas (LPG), or compressed natural gas (CNG) or alternative fuel in
22 this state; or

23 (b) offers or advertises to sell, refine, manufacture, or store gasoline, aviation gasoline, special
24 fuel, liquefied petroleum gas (LPG), or compressed natural gas (CNG) or alternative fuel in this state.

25 (3) A petroleum-fuel dealer who fails to file the report required by subsection (1) shall be fined \$50
26 for the first offense, \$75 for the second offense, and \$100 for the third and each subsequent offense."

27
28 **Section 2.** Section 15-70-124, MCA, is amended to read:

1 **"15-70-124. Agreements with other governmental entities relating to collection of certain fuel**
 2 **taxes.** (1) The department of transportation may enter into agreements relating to the administration and
 3 taxation of gasoline, special fuels, and ~~liquefied petroleum gas~~ alternative fuels with state agencies of this state
 4 and other states, agencies of the federal government, and agencies of foreign governments and provinces.

5 (2) The agreements may cover audits, exchange of information, licensure of sellers and users,
 6 distribution, and other matters that the department considers necessary for the administration of the taxation of
 7 gasoline, special fuels, and ~~liquefied petroleum gas~~ alternative fuels. In an agreement, the department may not
 8 delegate powers to another governmental entity that involve levying fines, forfeitures, or penalties or that allow
 9 the other governmental entity to revoke or otherwise impair a license or permit issued by the department."
 10

11 **Section 3.** Section 15-70-701, MCA, is amended to read:

12 **"15-70-701. Definitions.** As used in this part, the following definitions apply:

13 (1) (a) "Alternative fuel" means a gas, liquid, or other fuel that, with or without adjustment or
 14 manipulation such as adjustment or manipulation of pressure or temperature, is capable of being used for the
 15 generation of power to propel a motor vehicle. The term includes but is not limited to compressed natural gas,
 16 liquefied natural gas, liquefied petroleum gas, hydrogen, or hydrogen compressed natural gas, such as
 17 hythane.

18 (b) The term does not include motor fuel, leaded racing fuel, or an excluded liquid.

19 (2) "Alternative fuel dealer" means a person that is licensed or required to be licensed under 15-
 20 70-702 that delivers alternative fuel into the fuel supply tank or tanks of a motor vehicle.

21 (4)(3) "Bond" means:

22 (a) a bond executed by a ~~compressed natural gas dealer or a liquefied petroleum gas an~~
 23 alternative fuel dealer as principal with a corporate surety qualified under the laws of Montana, payable to the
 24 state of Montana, conditioned ~~upon~~ on performance of all requirements of this part, including the payment of all
 25 taxes, penalties, and other obligations of the ~~compressed natural gas dealer or the liquefied petroleum gas~~
 26 alternative fuel dealer arising out of this part; or

27 (b) a deposit with the department by the ~~compressed natural gas dealer or the liquefied petroleum~~
 28 gas alternative fuel dealer, under terms and conditions that the department may prescribe, of certificates of

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1 deposit or irrevocable letters of credit issued by a bank and insured by the federal deposit insurance
2 corporation.

3 ~~(2)~~(4) "Compressed natural gas" means a product that is used as a fuel and that contains carbon or
4 hydrogen, or both, and is compressed to greater than 24 pounds per square inch absolute base pressure and
5 up to 3,600 pounds per square inch absolute base pressure when sold for use in motor vehicles operated on
6 the public roads and highways of this state.

7 ~~(3)~~—"Compressed natural gas dealer" or "dealer" means a person who delivers any part of
8 compressed natural gas into the fuel supply tank or tanks of a motor vehicle.

9 (4)(5) "Department" means the department of transportation.

10 (6) "Hydrogen fuel" means fuel that produces electricity energy by combining hydrogen and
11 oxygen atoms.

12 ~~(5)~~(7) "Liquefied petroleum gas" means any petroleum product that is sold for use in motor vehicles
13 and that is composed predominantly of any of the following hydrocarbons or mixtures of hydrocarbons:

- 14 (a) propane;
15 (b) propylene;
16 (c) butane, including normal butane or isobutane; or
17 (d) butylene.

18 ~~(6)~~—"Liquefied petroleum gas dealer" or "dealer" means a person who delivers any part of liquefied
19 petroleum gas into the fuel supply tank or tanks of a motor vehicle.

20 ~~(7)~~(8) "Motor vehicle" means any vehicle that is self-propelled by compressed natural gas or by
21 liquefied petroleum gas alternative fuel and that is driven upon on the public roads and highways of this state.

22 ~~(8)~~(9) (a) "Person" means a person, firm, association, joint-stock company, syndicate, partnership, or
23 corporation.

24 (b) When used in any clause prescribing and imposing a fine or imprisonment, or both, as applied
25 to a firm, association, syndicate, or partnership, person means the partners or members of a firm, association,
26 syndicate, or partnership. As applied to a joint-stock company or corporation, the term means the officers of the
27 joint-stock company or corporation.

28 (9)(10) "Public roads and highways of this state" means all streets, roads, highways, and related