

HOUSE BILL NO. 55

INTRODUCED BY D. LOGE

BY REQUEST OF THE TRANSPORTATION INTERIM COMMITTEE

A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING A TAX ON ELECTRIC VEHICLE CHARGING STATIONS; PROVIDING FOR DEPARTMENT OF LABOR AND INDUSTRY INSPECTION; PROVIDING RULEMAKING AUTHORITY; PROVIDING FOR INSTALLATION OF ELECTRIC METERS AND THE REMITTANCE OF TAXES; REDUCING ADDITIONAL ELECTRIC VEHICLE REGISTRATION FEES FOR MONTANA RESIDENTS WHEN THE TAX ON CHARGING GOES INTO EFFECT; PROVIDING DEFINITIONS; AMENDING SECTION 69-8-803, MCA; AND PROVIDING A ~~DELAYED~~ AN IMMEDIATE EFFECTIVE DATE AND DELAYED IMPLEMENTATION DATES."

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

NEW SECTION. **Section 1. Definitions.** As used in this part, unless the context clearly indicates otherwise, the following definitions apply:

(1) "Charging station" means equipment that is not installed at a residence with a rated capacity greater than 25 kilowatts that transfers electric current to the power system of an electric vehicle and the real property in which the equipment is affixed, AND INCLUDES PUBLIC CHARGING STATIONS AND PUBLIC LEGACY CHARGERS charging stations.

(2) "Charging station operator" means a person, firm, general partnership, limited partnership, limited liability partnership, corporation, limited liability company, or other lawfully recognized business entity that operates a public charging station.

(3) "Public charging station" means a charging station that is a ~~for-profit~~ business using a metered system to deliver electric current to an electric vehicle and charges the customer either for the electricity transferred or for the duration of time during which the transfer of electricity takes place.

(4) "Public legacy charger charging station" means a public charging station operating before July 1, 2023, that ~~never measured electricity transferred from the charging station to a vehicle or is incapable of~~

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

68th Legislature

Drafter: Julie Johnson, 406-444-4024

HB0055.003.006

measuring the time elapsed while actively charging a vehicle and placing a fee on the charging session HAS NEVER HAD A METERING SYSTEM IN PLACE CAPABLE OF MEASURING ELECTRICITY TRANSFERRED FROM THE CHARGING STATION TO THE VEHICLE OR IS INCAPABLE OF MEASURING THE TIME ELAPSED WHILE ACTIVELY CHARGING A VEHICLE AND PLACING A FEE ON THE CHARGING SESSION.

(5) "Public utility" has the meaning as defined in 69-3-101.

NEW SECTION. Section 2. Public charging station tax -- PUBLIC LEGACY ~~CHARGER~~ charging station TAX -- reduction of additional electric vehicle registration fees. (1) ~~There~~ EFFECTIVE JULY 1, 2025 2023, THERE is a tax of 3 cents a kilowatt hour or its equivalent in addition to the public utility's approved rate on the electric current used to charge or recharge the battery or batteries of an electric vehicle at public charging stations installed after July 1, 2023.

(2) EFFECTIVE JULY 1, 2028 2025, THERE IS A TAX OF 3 CENTS A KILOWATT HOUR OR ITS EQUIVALENT in addition to the public utility's approved rate ON THE ELECTRIC CURRENT USED TO CHARGE OR RECHARGE THE BATTERY OR BATTERIES OF AN ELECTRIC VEHICLE AT PUBLIC LEGACY-~~CHARGERS~~ charging stations.

(2)(3) The tax authorized by this section is based on the rate of tax and electricity transferred during the charging process, and it does not include any fees or charges associated with the method of payment for the charging services.

(4) Effective July 1, 2028, the amount of any additional electric vehicle registration fee charged by the state to a resident on an electric vehicle is reduced by 30%

NEW SECTION. Section 3. Installation of electric meters. (1) Effective July 1, 2023, all new public charging stations must have an electric meter installed or approved by the public utility exclusively dedicated to the public charging station that measures all of the electricity delivered to the public charging station. The charging station owner shall pay the cost of meter installation.

(2) Effective July 1, 2025, all public charging stations and public legacy charging stations installed prior to July 1, 2023, must have an electric meter installed or approved by the public utility exclusively dedicated to the public charging station or public legacy charging station that measures all of the electricity delivered to the public charging station or public legacy charging station. The charging station owner shall pay the cost of

meter installation.

(3) Effective July 1, 2028, all public legacy charging stations must be equipped with metering devices capable of accurately measuring the amount of electricity being delivered to the motor vehicle.

(4) It is the public charging station owner's responsibility to comply with the provisions of this section and not the duty of the public utility to enforce compliance.

NEW SECTION. Section 4. Public-charging CHARGING station rate disclosure. A charging station operator shall disclose at the charging station site the rate for electric power transferred to an electric vehicle.

NEW SECTION. Section 5. Charging station operator statements and tax payment. (1) All public legacy-chargers CHARGING STATIONS must be registered with the department of transportation 45-30 days after [the effective date of this act].

(2) Public-charging CHARGING stations that begin operation after [the effective date of this act] must be registered with the department of transportation no later than 45-30 days after the first day of operation.

~~(3) — A EFFECTIVE JULY 1, 2025, A public-charging station tax and required reports must be filed with the department of transportation no later than the 25th day of the month following the month during which the charging for an electric vehicle occurred AT INTERVALS REQUIRED BY THE DEPARTMENT.~~

~~(4) — Public-charging stations are exempt from EXACTING AND remitting the tax levied in [section 2] until July 1, 2025.~~

~~(5) — (A) Public EXCEPT AS PROVIDED IN SUBSECTION (5)(B), PUBLIC legacy chargers that have never charged a fee for their use are exempt from EXACTING AND remitting the tax levied in [section 2] until July 1, 2025-2028.~~

~~(B) — THE DEPARTMENT OF TRANSPORTATION SHALL ADOPT RULES THAT ALLOW THE OWNER OF A PUBLIC LEGACY CHARGER TO APPLY FOR AND RECEIVE AN EXEMPTION FROM SUBSECTION (5)(A) FOR A PERIOD OF TIME NOT TO EXCEED 5 YEARS ON A SHOWING OF UNDUE ECONOMIC HARDSHIP.~~

~~(3) (a) The public utility shall collect the tax levied in [section 2] in its monthly invoice to the public charging station owner and remit the proceeds as calculated in subsection (3)(b) to the department of transportation within 30 days following the preceding calendar quarter when the tax was collected.~~

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

68th Legislature

Drafter: Julie Johnson, 406-444-4024

HB0055.003.006

(b) The public utility shall remit 2.75 cents for each kilowatt hour of electricity sold to a charging station owner to the department of transportation and is authorized to retain 0.25 cents per kilowatt to cover costs associated with collecting the tax.

(c) The public utility may create a new class of customers for billing at its discretion consisting solely of public charging stations.

(d) The billing rate for public charging stations must include the tax levied in [section 2] in addition to the public utility's approved rate or tariff.

(e) Taxes collected in accordance with this section are not subject to review or approval by the public service commission.

(4) The department of transportation may adopt rules to implement this section.

~~(6)(5)~~ The revenue derived from [section 2] must be deposited in the highway restricted account provided for in 15-70-126.

~~NEW SECTION. Section 5. Authority to promulgate rules and regulations. (1) The department of transportation shall promulgate rules to credit Montana residents for any tax collected under [section 2] but not to exceed the total amount of registration fees ANY REGISTRATION FEE BASED ON THE WEIGHT for electric vehicles paid by a taxpayer during the year in which the taxpayer claims the credit.~~

~~(2) The department of transportation may promulgate rules and regulations to carry out the purpose of [sections 1 through 6], INCLUDING RULES FOR REPORTING AND REMITTING THE TAX LEVIED IN [SECTION 2].~~

~~NEW SECTION. Section 6. Public charging station inspection. (1) The department of labor and industry may inspect the premises and equipment of any charging station operator to enforce compliance with this section.~~

~~(2) The department of labor and industry may:~~

~~(a) require third-party testing and calibration of charging stations;~~

~~(b) assess charging station operator costs incurred by the department to enforce testing, calibration, and inspection requirements; and~~

~~(c) promulgate rules to implement the provisions of this section and set fees necessary to carry out~~

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

68th Legislature

Drafter: Julie Johnson, 406-444-4024

HB0055.003.006

~~the duties and responsibilities of this section, WHICH MUST BE REASONABLY RELATED TO THE ACTUAL COSTS TO THE DEPARTMENT.~~

Section 6. Section 69-8-803, MCA, is amended to read:

"69-8-803. Electric vehicle charging stations -- service entity requirements. (1) A public utility ~~may~~ shall allow an electric vehicle charging station that meets the requirements in subsection (2) to be interconnected to its distribution system.

(2) A public utility may sell power to an entity to service electric vehicle charging stations that:

(a) procure power supplied by the public utility for the purpose of electric vehicle charging; and

(b) service electric vehicle charging stations within the public utility's service territory.

(3) Entities operating electric vehicle charging stations are not public utilities.

~~(4) Charges pertaining to fueling electric vehicles may not be based on the cost of electricity."~~

NEW SECTION. **Section 7. Codification instruction.** [Sections 1 through ~~6~~ 5] are intended to be codified as an integral part of Title ~~15~~ 69, chapter ~~70~~ 3, and the provisions of Title ~~15~~ 69, chapter ~~70~~ 3, apply to [sections 1 through ~~6~~ 5].

NEW SECTION. **Section 8. Effective date.** [This act] is effective ~~January 1, 2025~~ JULY 1, 2023 on passage and approval.

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