A BILL FOR AN ACT

CONCERNING INCENTIVES FOR INCREASED USE OF ALTERNATIVE FUELS, AND, IN CONNECTION THEREWITH, ALLOWING HYBRID VEHICLES TO USE HIGH OCCUPANCY VEHICLE LANES AND REQUIRING THE USE OF ALTERNATIVE FUELS FOR CERTAIN STATE VEHICLES.

Bill Summary

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Clarifies that a hybrid motor vehicle qualifies for the income tax credit available for motor vehicles that use alternative fuels. Allows a hybrid vehicle to use high occupancy vehicle lanes notwithstanding the fact that only one person may be riding in such vehicle and requires the

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment. Capital letters indicate new material to be added to existing statute. Dashes through the words indicate deletions from existing statute.
department of transportation to inform motorists of the availability of such use. Requires that at least 10% of state-owned vehicles that can use both gasoline and an alternative fuel actually use only alternative fuels by July 1, 2010.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. 39-22-516 (2.5) (a), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBPARAGRAPH to read:

39-22-516. Tax credit for purchase of vehicles using alternative fuels - repeal. (2.5) (a) As used in this subsection (2.5), unless the context otherwise requires:

(II.5) "HYBRID VEHICLE" MEANS A MOTOR VEHICLE WITH A HYBRID PROPULSION SYSTEM THAT USES AN ALTERNATIVE FUEL BY OPERATING ON BOTH AN ALTERNATIVE FUEL, INCLUDING ELECTRICITY, AND A TRADITIONAL FUEL.

SECTION 2. 39-22-516 (2.5) (b) (II) (B) and (2.5) (g), Colorado Revised Statutes, are amended to read:

39-22-516. Tax credit for purchase of vehicles using alternative fuels - repeal. (2.5) (b) (II) With respect to tax years commencing on or after July 1, 2000, but prior to July 1, 2011, there shall be allowed to any person a credit against the tax imposed by this article for each motor vehicle owned by such person that:

(B) Uses or is converted to use an alternative fuel, IS A HYBRID VEHICLE, or has its power source replaced with a power source that uses an alternative fuel.

(g) WITH RESPECT TO TAX YEARS COMMENCING ON OR AFTER JULY 1, 1998, BUT PRIOR TO JULY 1, 2000, for a motor vehicle that was not used solely and exclusively for business purposes during the tax year for which
a credit is claimed, the amount of the credit allowed pursuant to this
subsection (2.5) shall be prorated in proportion to the percentage of time
during the tax year that the motor vehicle was used for business purposes.

SECTION 3. 42-4-1012 (2.5) (a) (I), (2.5) (b) (I), (2.5) (c), and
(2.5) (d) (I), Colorado Revised Statutes, are amended, and the said
42-4-1012 (2.5) (a) is further amended BY THE ADDITION OF A NEW
SUBPARAGRAPH, to read:

42-4-1012. High occupancy vehicle (HOV) and high occupancy
toll (HOT) lanes. (2.5) (a) (I) Except as otherwise provided in
paragraph (d) of this subsection (2.5), an inherently low-emission vehicle
A MOTOR VEHICLE with a gross vehicle weight of twenty-six thousand
pounds or less THAT IS EITHER AN INHERENTLY LOW-EMISSION VEHICLE OR
A HYBRID VEHICLE may be operated upon high occupancy vehicle lanes
without regard to the number of persons in the vehicle and without
payment of a special toll or fee. THE EXEMPTION RELATING TO HYBRID
VEHICLES SHALL APPLY ONLY IF SUCH EXEMPTION DOES NOT AFFECT THE
RECEIPT OF FEDERAL FUNDS AND DOES NOT VIOLATE ANY FEDERAL LAWS
OR REGULATIONS.

(III) AS USED IN THIS SUBSECTION (2.5), "HYBRID VEHICLE" HAS
THE MEANING ESTABLISHED IN SECTION 39-22-516 (2.5) (a) (II.5), C.R.S.
(b) No person shall operate a vehicle upon a high occupancy
vehicle lane pursuant to this subsection (2.5) unless the vehicle:
(I) Meets all applicable federal emission standards set forth in 40
CFR sec. 88.311-93, as amended from time to time, OR, SUBJECT TO
SUBPARAGRAPH (I) OF PARAGRAPH (a) OF THIS SUBSECTION (2.5), IS A
HYBRID VEHICLE; and
(c) The department of transportation and local authorities, with
with respect to streets and highways under their respective jurisdictions, shall provide information via official traffic control devices to indicate that ILEVs AND, SUBJECT TO SUBPARAGRAPH (I) OF PARAGRAPH (a) OF THIS SUBSECTION (2.5), HYBRID VEHICLES may be operated upon high occupancy vehicle lanes pursuant to this section. Such information may, but need not, be added to existing printed signs, but as existing printed signs related to high occupancy vehicle lane use are replaced or new ones are erected, such information shall be added. In addition, whenever existing electronic signs are capable of being reprogrammed to carry such information, they shall be so reprogrammed BY SEPTEMBER 1, 2003.

(d) (I) In consultation with the regional transportation district, the department of transportation and local authorities, with respect to streets and highways under their respective jurisdictions, shall, in connection with their periodic level-of-service evaluation of high occupancy vehicle lanes, perform a level-of-service evaluation of the use of high occupancy vehicle lanes by ILEVs AND HYBRID VEHICLES. If the use of high occupancy vehicle lanes by ILEVs OR HYBRID VEHICLES is determined to cause a significant decrease in the level of service for other bona fide users of such lanes, then the department of transportation or a local authority may restrict or eliminate use of such lanes by ILEVs OR HYBRID VEHICLES.

SECTION 4. 24-30-1104 (2) (c), Colorado Revised Statutes, is amended to read:

24-30-1104. Central services functions of the department.

(2) In addition to the county-specific functions set forth in subsection (1) of this section, the department of personnel shall take such steps as are necessary to fully implement a central state motor vehicle fleet system by
January 1, 1993. The department of personnel shall perform the following functions pertaining to the motor vehicle fleet system throughout the state for the executive branch of the state of Colorado, its departments, institutions, and agencies, under the direction of the executive director:

(c) (I) Adopt uniform rules and regulations for motor vehicle acquisition, operation, maintenance, repair, and disposal standards. Uniform rules and regulations adopted by the executive director of the department of personnel pertaining to acquisition of motor vehicles by lease or purchase shall provide that low energy consumption shall be a favorable factor in determining the low responsible bidder. The size of any passenger motor vehicle shall not be greater than necessary to accomplish its purpose.

(II) By July 1, 2010, at least ten percent of all state-owned bi-fueled vehicles shall be fueled exclusively with an alternative fuel. To ensure compliance with this subparagraph (II), for one or more state fiscal years commencing before July 1, 2010, the rules promulgated pursuant to this paragraph (c) may establish progressively more stringent percentage requirements.

(III) For purposes of this paragraph (c):

(A) "Alternative fuel" has the meaning established in section 25-7-106.8, C.R.S.

(B) "Bi-fueled vehicle" means a motor vehicle, which may be purchased to comply with applicable federal requirements including, but not limited to, the federal "Energy Policy Act of 1992", 42 U.S.C. sec. 13257, and 42 U.S.C. sec. 7587, that can
OPERATE ON BOTH AN ALTERNATIVE FUEL AND A TRADITIONAL FUEL OR THAT CAN OPERATE ALTERNATELY ON A TRADITIONAL FUEL AND AN ALTERNATIVE FUEL.

SECTION 5. Effective date - applicability. (1) This act shall take effect September 1, 2003.

(2) However, if a referendum petition is filed against this act or an item, section, or part of this act during the 90-day period after final adjournment of the general assembly that is allowed for submitting a referendum petition pursuant to article V, section 1 (3) of the state constitution, then the act, item, section, or part, shall not take effect unless approved by the people at a biennial regular general election and shall take effect on the date specified in subsection (1) or on the date of the official declaration of the vote thereon by proclamation of the governor, whichever is later.

(3) The provisions of this act shall apply to acts occurring on or after the applicable effective date of this act.