

Amend **SB 604** (senate committee printing) by adding the following appropriately numbered ARTICLE to the bill and renumbering subsequent ARTICLES and SECTIONS of the bill accordingly:

ARTICLE \_\_. STUDY ON IMPOSING FEES ON ALTERNATIVELY FUELED VEHICLES

SECTION \_\_.01. DEFINITIONS. In this article:

(1) "Alternatively fueled vehicle" has the meaning assigned by Section 502.004, Transportation Code.

(2) "Conventional vehicle" means a vehicle, as defined by Section 502.001, Transportation Code, that is exclusively powered by gasoline or diesel fuel.

(3) "Motor fuel taxes" means the motor fuel taxes imposed under Chapter 162, Tax Code.

(4) "Vehicle miles traveled" means the number of miles traveled by a vehicle.

SECTION \_\_.02. STUDY AND REPORT. (a) Using existing funds, the Texas Department of Motor Vehicles and the Texas Department of Transportation shall jointly contract with a third-party contractor to conduct a study and create a report on the feasibility and advisability of a program to establish a fee for alternatively fueled vehicles similar to the motor fuel taxes imposed on conventional vehicles.

(b) The study must:

(1) review other state or federal laws regarding fees and taxes for alternatively fueled vehicles and whether those laws reduced tax revenue generated from motor fuels, including:

(A) whether other states measure the vehicle miles traveled of alternatively fueled vehicles to calculate any fees or taxes; and

(B) the methods used to calculate the vehicle miles traveled under Paragraph (A);

(2) calculate the revenue generated from motor fuel taxes for each mile traveled by a vehicle in this state;

(3) calculate the total amount of vehicle fees and taxes that drivers of alternatively fueled vehicles pay compared with the total amount of vehicle fees and taxes drivers of conventional vehicles pay, and calculate the net revenue generated

by each;

(4) determine whether a correlation exists between the market penetration of alternatively fueled vehicles and the decrease in revenue from motor fuel taxes;

(5) compile and analyze all available sources of data related to the vehicle miles traveled for alternatively fueled vehicles in this state;

(6) determine whether the Department of Public Safety of the State of Texas should collect information on the vehicle miles traveled for an alternatively fueled vehicle during the vehicle's annual inspection under Chapter 548, Transportation Code;

(7) determine a method, in measuring vehicle miles traveled, to distinguish between different types of alternatively fueled vehicles, including hybrid vehicles, as defined by Section 382.003, Health and Safety Code, and conventional vehicles at annual inspections under Chapter 548, Transportation Code;

(8) determine the feasibility of implementing a program that imposes a fee based on vehicle miles traveled by alternatively fueled vehicles to be deposited to the state highway fund, including:

(A) the cost of implementing the program to drivers of alternatively fueled vehicles and to the state;

(B) whether the vehicle miles traveled measured by the program should include miles traveled outside this state;

(C) whether vehicle weight should be a factor in calculating the fee;

(D) the appropriate state agency to administer the program; and

(E) the appropriate methods of and schedule for payment for the fee imposed under the program; and

(9) calculate the feasibility and determine the consequences of abolishing motor fuel taxes and replacing those taxes with a fee based on vehicle miles traveled for all vehicles, including:

(A) calculating the total amount in fees the average driver would be required to pay to ensure that the state

does not lose the revenue it derives from motor fuel taxes; and

(B) comparing any potential negative effects from imposing a fee based on vehicle miles traveled for all vehicles and any current negative effects from imposing motor fuel taxes.

(c) Not later than December 1, 2020, the Texas Department of Motor Vehicles and the Texas Department of Transportation shall jointly submit to the governor, lieutenant governor, speaker of the house of representatives, and members of the legislature the report created under Subsection (a) of this section that includes a summary of the results of the study conducted under that subsection and any legislative recommendations based on the study.

SECTION   .03. EXPIRATION DATE. This article expires September 1, 2021.