

By: Schwertner

S.B. No. 1653

A BILL TO BE ENTITLED

AN ACT

relating to a study by the Texas Department of Motor Vehicles regarding alternatively fueled vehicles and gasoline and diesel taxes.

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

SECTION 1. (a) In this section:

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

(2) "Conventional vehicle" means a vehicle, as defined by Section 502.001(45), Transportation Code, that is exclusively powered by gasoline or diesel fuel.

(3) "Department" means the Texas Department of Motor Vehicles.

(4) "Gasoline tax" and "diesel fuel tax" mean the motor fuel taxes established under Subchapters B and C, Chapter 162, Tax Code, respectively.

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

(b) The department shall conduct a study on the feasibility and desirability of a program to establish a fee similar to the gasoline or diesel fuel tax for alternatively fueled vehicles.

(c) The study must:

(1) review other state or federal laws regarding fees and taxes for alternatively fueled vehicles and whether those laws

1 reduced gasoline and diesel fuel tax revenue, including:

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

5 (B) if so, what methods were used to calculate
6 the vehicle miles traveled;

7 (2) calculate the revenue generated from gasoline and
8 diesel fuel taxes per vehicle mile traveled in Texas;

9 (3) calculate the total amount of vehicle fees and
10 taxes that drivers of alternatively fueled vehicles pay compared
11 with the total amount of vehicle fees and taxes drivers of
12 conventional vehicles pay, and calculate the net revenue generated
13 by each;

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

17 (5) compile and analyze all available sources of data
18 related to the vehicle miles traveled for alternatively fueled
19 vehicles in Texas;

20 (6) determine whether the Department of Public Safety
21 should collect information on the vehicle miles traveled at an
22 alternatively fueled vehicle's annual inspection under Chapter
23 548, Transportation Code;

24 (7) determine a method, in measuring vehicle miles
25 traveled, to distinguish between alternatively fueled vehicles,
26 hybrid vehicles, as defined by Section 382.003(7-b), Health and
27 Safety Code, and conventional vehicles at annual inspections under

Chapter 548, Transportation Code;

(8) determine the feasibility of implementing a program creating a vehicle miles traveled fee for alternatively fueled vehicles that will be paid into the state highway fund, including:

(A) the cost of implementing such a 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 the State of Texas;

(C) whether vehicle weight should be a factor in calculating vehicle miles traveled;

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

(E) the appropriate methods of and schedule for payment for the vehicle miles traveled fee implemented under the program; and

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

(A) calculating the total amount in fees the average driver would be required to pay to ensure that the state not lose the revenue it derives from gasoline and diesel fuel taxes; and

(B) comparing any potential negative effects from implementing a vehicle miles traveled fee for all vehicles and any current negative effects from gasoline and diesel fuel taxes.

1 (d) Not later than December 1, 2020, the department shall
2 prepare and submit to the governor, lieutenant governor, speaker of
3 the house of representatives, and members of the legislature a
4 written report that includes a summary of the results of the study
5 conducted under this section and any legislative recommendations
6 based on the study.

7 SECTION 2. This Act expires September 1, 2021.

8 SECTION 3. This Act takes effect September 1, 2019.