

1 **State of Arkansas**  
2 **79th General Assembly**  
3 **Regular Session, 1993**  
4 **By: Representative Flanagin**

# **A Bill**

**HOUSE BILL 2082**

## **For An Act To Be Entitled**

8 "AN ACT TO ESTABLISH THE ALTERNATIVES FUELS ACT; TO DEFINE  
9 TERMS AND CREATE THE ARKANSAS ALTERNATIVE FUELS REVOLVING  
10 LOAN FUND; TO PROVIDE FOR LOANS TO PURCHASE VEHICLES FOR  
11 STATE AND LOCAL GOVERNMENTS POWERED BY ALTERNATIVE FUELS;  
12 AND FOR OTHER PURPOSES."

## **Subtitle**

14 "AN ACT TO ESTABLISH THE ALTERNATIVES FUELS ACT AND TO  
15 PROVIDE FOR LOANS TO PURCHASE VEHICLES POWERED BY  
16 ALTERNATIVE FUELS."

18  
19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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21 SECTION 1. Definitions. For purposes of this act, unless the context  
22 otherwise requires:

23 (1) "Alternative fuels" means methanol, denatured ethanol, and other  
24 alcohols; mixtures containing eighty-five percent (85%) or more (or a lesser  
25 percentage; but not less than seventy percent (70%), if determined necessary  
26 by the Alternative Fuels Commission, by rule, to provide for requirements  
27 relating to cold start, safety, or other vehicle functions) by volume of  
28 methanol, denatured ethanol, and other alcohols with gasoline or other fuels;  
29 natural gas; liquified petroleum gas; hydrogen; coal-derived liquid fuels;  
30 fuels (other than alcohol) derived from biological materials; electricity  
31 (including electricity from solar energy): and any other fuel the Alternative  
32 Fuels Commission determines, by rule, is substantially not petroleum and would  
33 yield substantial energy security benefits and substantial environmental  
34 benefits.

35 (2) "Automobile" means automobiles as defined in Arkansas Code §

1 22-8-203(1)

2 (3) "Distillate special fuels" means distillate special fuels as  
3 defined in Arkansas Code § 26-56-102(9).

4 (4) "Gallon" means gallon as defined in Arkansas Code § 26-56-102(14);

5 (5) "Government vehicle" means any motor vehicle owned and operated by  
6 the State of Arkansas, county, city, or town within this state.

7 (6) "Motor fuel" means motor fuel as defined in Arkansas Code §  
8 26-55-202(2);

9 (7) "Motor vehicle" means motor vehicle as defined in Arkansas Code §  
10 23-13-203.

11 (8) "Originally equipped motor vehicle" means a motor vehicle which was  
12 originally equipped by the manufacturer of the vehicle to be propelled only by  
13 alternative fuel.

14 (9) "Pickup truck" means pick-up truck as defined by Arkansas Code §  
15 22-8-203(2);

16 (10) "Qualified clean-burning motor vehicle fuel property" means  
17 equipment installed to modify a motor vehicle so that the vehicle may be  
18 propelled by alternative fuel; a motor vehicle originally equipped to be  
19 propelled only by alternative fuels but only to the extent of the portion of  
20 the basis of such motor vehicle which is attributable to the storage of such  
21 fuel, the delivery to the engine of such motor vehicle of such fuel, and the  
22 exhaust of gases from the combustion of such fuel; or property which is  
23 directly related to the delivery of alternative fuels into the fuel tank of a  
24 motor vehicle propelled by such fuel including compression or recharging  
25 equipment and storage tanks for such fuel at the point where such fuel is so  
26 delivered.

27 (11) "Qualified refueling facility equipment" means cascades, card lock  
28 systems, dispensing stations, compressors, blown down tanks, recharging  
29 equipment, or any other equipment deemed necessary for beginning an operation.

30 (12) "Sale" means to sale, barter, exchange, and every other manner,  
31 method, and form of transferring the ownership of personal property from one  
32 person to another.

33 (13) "School vehicle" means every bus and multi-passenger motor vehicle  
34 owned by the State Department of Education or any school district within this  
35 state; and

1           (14) "Solvents" means especially prepared commercial and industrial  
2 solvents, cleaners' and painters' naphthas, and raw petroleum materials or  
3 petrochemical intermediates when used as or sold for use in production or  
4 manufacture of plastics, detergents, synthetic rubber, herbicides,  
5 insecticides and other chemicals or products which are not prepared,  
6 advertised, offered for sale, or sold for use or suitable for use as fuel for  
7 generating power in internal combustion engines.

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9           SECTION 2. (a) All school and government vehicles may be converted to  
10 operate on an alternative fuel. The state, counties, municipality, and any  
11 school districts within the state may have access to the Arkansas Alternative  
12 Fuels Revolving Loan Fund and the reasonable expenses of the conversions of  
13 their vehicles to alternative fuels and the reasonable expenses for purchases  
14 of qualified refueling facility equipment may be reimbursed in the manner  
15 pursuant to Section 3 of this act if the state, county, municipality or school  
16 district can pay back such conversion costs within seven (7) years of the date  
17 of conversion, as determined by the methodology provided by the Alternative  
18 Fuels Commission.

19           (b) Beginning July 1, 1993, all school districts within this state  
20 should consider purchasing only school vehicles which have the capability to  
21 operate on alternative fuels.

22           (c) The reasonable expenses of the conversion of the school and  
23 government vehicle fleets that are converted pursuant to this section shall be  
24 reimbursed in the manner pursuant to Section 3 of this act to the extent  
25 monies are available in the Alternative Fuels Revolving Loan Fund.

26           (d) Any vehicle converted to operate on alternative fuels with an  
27 outstanding balance owed to the Alternative Fuels Commission shall not be sold  
28 or otherwise transferred to another person or entity before the total  
29 reimbursement of the cost of such conversion unless such conversion equipment  
30 is removed and installed on another government vehicle or school vehicle owned  
31 by the public entity.

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33           SECTION 3. (a) There is hereby created on the books of the State  
34 Treasurer, State Auditor and Chief Fiscal Officer, a fund to be known as the  
35 Arkansas Alternative Fuels Revolving Loan Fund. The fund shall be a

1 continuing fund, not subject to fiscal year limitation, and shall consist of  
2 all monies appropriated to it or otherwise deposited to it as provided by law.

3 (b) All monies credited to the revolving fund shall be expended by the  
4 Arkansas Alternative Fuels Commission to reimburse expenses relative to the  
5 conversion of government and school vehicles to be operated by alternative  
6 fuels; to assist in purchasing of qualified refueling facility equipment; to  
7 assist in the purchasing of originally equipped manufactured vehicles; for  
8 distribution costs associated with implementing the use of alternative fuels;  
9 to assist in the cost of developing alternative fuels; and for continued  
10 education and awareness of alternative fuels to the public. The maximum  
11 amount expended per vehicle shall be determined by the Alternative Fuels  
12 Commission and shall not exceed the actual costs.

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14 SECTION 4. The Arkansas Alternative Fuels Commission shall adopt rules  
15 and regulations necessary to carry out the provisions of this act.

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17 SECTION 5. All provisions of this act of general and permanent nature  
18 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code  
19 Revision Commission shall incorporate the same in the Code.

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21 SECTION 6. If any provisions of this act or the application thereof to  
22 any person or circumstance is held invalid, the invalidity shall not affect  
23 other provisions or applications of the act which can be given effect without  
24 the invalid provisions or application, and to this end the provisions of this  
25 act are declared to be severable.

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27 SECTION 7. All laws and parts of laws in conflict with this act are  
28 hereby repealed.

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30 /s/P. Flanagin

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