

Prior law required that motor vehicles leased or purchased for use by state agencies be capable of using alternative fuels or be hybrid vehicles.

Prior law defined "alternative fuel" to mean compressed natural gas, liquefied petroleum gas, reformulated gasoline, methanol, ethanol, advanced biofuel, electricity, and any other fuels which meet or exceed federal Clean Air Act standards.

New law changes prior law by limiting the vehicles which may be purchased or leased by the state to those which are capable of and equipped for using bi-fuel, natural gas, or liquified petroleum gas, referred to collectively as "alternative fuels". As used in new law, "bi-fuel" means either gasoline or diesel plus liquified petroleum gas, gasoline or diesel plus compressed natural gas or any fuel derived from natural gas, or gasoline or diesel plus any non-ethanol based advanced bio-fuel.

Prior law provided that the commissioner may waive the requirements of prior law for any state agency upon receipt of certification supported by evidence acceptable to the commissioner that either of the following situations applied:

- (1) The agency's vehicles operated primarily in an area in which neither the agency nor a supplier could reasonably be expected to establish a central refueling station for alternative fuel or hybrid vehicles.
- (2) The agency was unable to acquire or be provided equipment or refueling facilities necessary to operate alternate fuel or hybrid vehicles at a projected cost that is reasonably expected to result in no greater net costs than the continued use of traditional gasoline or diesel fuels measured over the expected useful life of the equipment or facilities supplied.

New law changes prior law to provide that the commissioner may waiver requirement of purchase of the vehicle if:

- (1) The agency's vehicles will be operating primarily in an area that is not within a 25 mile radius of an available liquified petroleum gas, compressed natural gas, or advanced bio-fuel refueling facility.
- (2) The state agency is not able to recoup the portion of the purchase or lease which is the difference between the cost of a new vehicle which is alternative fuel capable and the estimated cost of a vehicle with similar vehicle specifications which is not alternative fuel capable through reduced costs of operating such vehicle within 60 months of the purchase or lease.
- (3) The vehicle does not meet the required specifications as determined by the division of administration.

Prior law provided for the purchase of advanced biofuel directly from a qualified small advanced biofuel manufacturing facility at a price equal to 15% less per gallon than the price of unleaded gasoline for use in any motor vehicle.

New law deletes prior law.

New law provides that a state agency may use monies from the Alternative Fuel Vehicle Revolving Loan Fund or the Flex Fund Revolving Loan Program which are available for such purpose to pay the difference between the cost of a vehicle which is alternative fuel capable and the estimated cost of a vehicle with similar vehicle specifications which is not alternative fuel capable.

Effective October 1, 2012.

(Amends R.S. 39:364)