

SENATE BILL NO. 1038

102ND GENERAL ASSEMBLY

INTRODUCED BY SENATOR RAZER.

2881S.02I

KRISTINA MARTIN, Secretary

AN ACT

To repeal section 142.869, RSMo, and to enact in lieu thereof three new sections relating to electric motor vehicles.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Section 142.869, RSMo, is repealed and three
2 new sections enacted in lieu thereof, to be known as sections
3 142.804, 142.869, and 142.1001, to read as follows:

**142.804. 1. As used in this section, the term "public
2 charging station" shall mean an electric vehicle charging
3 station other than one owned by the owner or operator of the
4 vehicle, or located at a residence leased by the owner or
5 operator of the vehicle, and not available to the public.**

**6 2. In addition to the tax levied and imposed in
7 section 142.803, there shall be levied and imposed on
8 electricity put into the battery of a motor vehicle from a
9 public charging station a tax of five cents per kilowatt
10 hour, to be collected and remitted to the department of
11 revenue by the retailer.**

**12 3. The tax levied and imposed in this section shall
13 not apply to electric vehicle charging stations in operation
14 prior to January 1, 2024. This subsection shall expire on
15 January 1, 2034.**

142.869. 1. The tax imposed by this chapter shall not
2 apply to passenger motor vehicles, buses as defined in
3 section 301.010, or commercial motor vehicles registered in

EXPLANATION-Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

4 this state which are powered by alternative fuel, and for
5 which a valid decal has been acquired as provided in this
6 section, provided that sales made to alternative fueled
7 vehicles powered by propane, compressed natural gas, or
8 liquefied natural gas that do not meet the requirements of
9 subsection 4 of this section shall be taxed exclusively
10 pursuant to subdivisions (4) to (7) of subsection 1 of
11 section 142.803, respectively. The owners or operators of
12 such motor vehicles, except plug-in electric hybrids, shall,
13 in lieu of the tax imposed by section 142.803, pay an annual
14 alternative fuel decal fee as follows: seventy-five dollars
15 on each passenger motor vehicle, school bus as defined in
16 section 301.010, and commercial motor vehicle with a
17 licensed gross vehicle weight of eighteen thousand pounds or
18 less; one hundred dollars on each motor vehicle with a
19 licensed gross weight in excess of eighteen thousand pounds
20 but not more than thirty-six thousand pounds used for farm
21 or farming transportation operations and registered with a
22 license plate designated with the letter "F"; one hundred
23 fifty dollars on each motor vehicle with a licensed gross
24 vehicle weight in excess of eighteen thousand pounds but
25 less than or equal to thirty-six thousand pounds, and each
26 passenger-carrying motor vehicle subject to the registration
27 fee provided in sections 301.059, 301.061 and 301.063; two
28 hundred fifty dollars on each motor vehicle with a licensed
29 gross weight in excess of thirty-six thousand pounds used
30 for farm or farming transportation operations and registered
31 with a license plate designated with the letter "F"; and one
32 thousand dollars on each motor vehicle with a licensed gross
33 vehicle weight in excess of thirty-six thousand pounds.
34 Owners or operators of plug-in electric hybrids shall pay
35 one-half of the stated annual alternative fuel decal fee.

36 Notwithstanding provisions of this section to the contrary,
37 motor vehicles licensed as historic under section 301.131
38 which are powered by alternative fuel shall be exempt from
39 both the tax imposed by this chapter and the alternative
40 fuel decal requirements of this section. For the purposes
41 of this section, a plug-in electric hybrid shall be any
42 hybrid vehicle made by a manufacturer with a model year of
43 2018 or newer, that has not been modified from the original
44 manufacturer specifications, with an internal combustion
45 engine and batteries that can be recharged by connecting a
46 plug to an electric power source.

47 2. Beginning January 1, 2022, the fees in subsection 1
48 of this section shall be increased by twenty percent of the
49 fee in effect on August 28, 2021, per year for a period of
50 five years, except that the fee for motor vehicles with a
51 licensed gross vehicle weight in excess of thirty-six
52 thousand pounds shall be increased by ten percent of the fee
53 in effect on August 28, 2021, per year for a period of five
54 years.

55 3. **Beginning January 1, 2027, alternative fuel decal**
56 **fees for electric vehicles shall be periodically decreased**
57 **by a uniform percentage, as determined by the director of**
58 **the department of revenue by rule, such that revenue from**
59 **the fees is reduced by an amount estimated to be**
60 **substantially equal to the revenue generated by the tax**
61 **levied and imposed in section 142.804.**

62 4. Except interstate fuel users and vehicles licensed
63 under a reciprocity agreement as defined in section 142.617,
64 the tax imposed by section 142.803 shall not apply to motor
65 vehicles registered outside this state which are powered by
66 alternative fuel other than propane, compressed natural gas,
67 and liquefied natural gas, and for which a valid temporary

68 alternative fuel decal has been acquired as provided in this
69 section. The owners or operators of such motor vehicles
70 shall, in lieu of the tax imposed by section 142.803, pay a
71 temporary alternative fuel decal fee of eight dollars on
72 each such vehicle. Such decals shall be valid for a period
73 of fifteen days from the date of issuance and shall be
74 attached to the lower right-hand corner of the front
75 windshield on the motor vehicle for which it was issued.
76 Such decal and fee shall not be transferable. All proceeds
77 from such decal fees shall be deposited as specified in
78 section 142.345. Alternative fuel dealers selling such
79 decals in accordance with rules and regulations prescribed
80 by the director shall be allowed to retain fifty cents for
81 each decal fee timely remitted to the director.

82 [4.] 5. Owners or operators of passenger motor
83 vehicles, buses as defined in section 301.010, or commercial
84 motor vehicles registered in this state which are powered by
85 compressed natural gas or liquefied natural gas who have
86 installed a compressed natural gas fueling station or
87 liquefied natural gas fueling station used solely to fuel
88 the motor vehicles they own or operate as of December 31,
89 2015, may continue to apply for and use the alternative fuel
90 decal in lieu of paying the tax imposed under subdivisions
91 (4) and (5) of subsection 1 of section 142.803. Owners or
92 operators of compressed natural gas fueling stations or
93 liquefied natural gas fueling stations whose vehicles bear
94 an alternative fuel decal shall be prohibited from selling
95 or providing compressed natural gas or liquefied natural gas
96 to any motor vehicle they do not own or operate. Owners or
97 operators of motor vehicles powered by compressed natural
98 gas or liquefied natural gas bearing an alternative fuel
99 decal after January 1, 2016, that decline to renew the

100 alternative fuel decals for such motor vehicles shall no
101 longer be eligible to apply for and use alternative fuel
102 decals under this subsection. Any compressed natural gas or
103 liquefied natural gas obtained at any fueling station not
104 owned by the owner or operator of the motor vehicle bearing
105 an alternative fuel decal shall be subject to the tax under
106 subdivisions (4) and (5) of subsection 1 of section 142.803.

107 [5.] 6. An owner or operator of a motor vehicle
108 powered by propane may continue to apply for and use the
109 alternative fuel decal in lieu of paying the tax imposed
110 under subdivision (6) of subsection 1 of section 142.803.
111 If the appropriate motor fuel tax under subdivision (6) of
112 subsection 1 of section 142.803 is collected at the time of
113 fueling, an operator of a propane fueling station that uses
114 quick-connect fueling nozzles may sell propane as a motor
115 fuel without verifying the application of a valid Missouri
116 alternative fuel decal. If an owner or operator of a motor
117 vehicle powered by propane that bears an alternative fuel
118 decal refuels at an unattended propane refueling station,
119 such owner or operator shall not be eligible for a refund of
120 the motor fuel tax paid at such refueling.

121 [6.] 7. The director shall annually, on or before
122 January thirty-first of each year, collect or cause to be
123 collected from owners or operators of the motor vehicles
124 specified in subsection 1 of this section the annual decal
125 fee. Applications for such decals shall be supplied by the
126 department of revenue. In the case of a motor vehicle which
127 is not in operation by January thirty-first of any year, a
128 decal may be purchased for a fractional period of such year,
129 and the amount of the decal fee shall be reduced by one-
130 twelfth for each complete month which shall have elapsed
131 since the beginning of such year. This subsection shall not

132 apply to an owner or operator of a motor vehicle powered by
133 propane who fuels such vehicle exclusively at unattended
134 fueling stations that collect the motor fuel tax.

135 [7.] 8. Upon the payment of the fee required by
136 subsection 1 of this section, the director shall issue a
137 decal, which shall be valid for the current calendar year
138 and shall be attached to the lower right-hand corner of the
139 front windshield on the motor vehicle for which it was
140 issued.

141 [8.] 9. The decal fee paid pursuant to subsection 1 of
142 this section for each motor vehicle shall be transferable
143 upon a change of ownership of the motor vehicle and, if the
144 LP gas or natural gas equipment is removed from a motor
145 vehicle upon a change of ownership and is reinstalled in
146 another motor vehicle, upon such reinstallation. Such
147 transfers shall be accomplished in accordance with rules and
148 regulations promulgated by the director.

149 [9.] 10. It shall be unlawful for any person to
150 operate a motor vehicle required to have an alternative fuel
151 decal upon the highways of this state without a valid decal
152 unless the motor vehicle is exclusively fueled at propane,
153 compressed natural gas, or liquefied natural gas fueling
154 stations that collect the motor fuel tax.

155 [10.] 11. No person shall cause to be put, or put, any
156 alternative fuel into the fuel supply receptacle or battery
157 of a motor vehicle required to have an alternative fuel
158 decal unless the motor vehicle either has a valid decal
159 attached to it or the appropriate motor fuel tax is
160 collected at the time of such fueling.

161 [11.] 12. Any person violating any provision of this
162 section is guilty of an infraction and shall, upon
163 conviction thereof, be fined five hundred dollars.

164 [12.] 13. Motor vehicles displaying a valid
165 alternative fuel decal are exempt from the licensing and
166 reporting requirements of this chapter.

142.1001. 1. There is hereby created within the
2 department of transportation the "Electric Vehicle Task
3 Force" to consist of the following members:

4 (1) The director of the department of transportation,
5 or his or her designee, who shall serve as chair;

6 (2) The chairman of the public service commission, or
7 his or her designee, who shall serve as vice chair;

8 (3) The director of the department of revenue, or his
9 or her designee;

10 (4) One member of the senate committee with
11 jurisdiction over transportation matters, to be appointed by
12 the president pro tempore of the senate;

13 (5) One member of the house of representatives
14 committee with jurisdiction over transportation matters, to
15 be appointed by the speaker of the house of representatives;

16 (6) One member of the senate committee with
17 jurisdiction over transportation matters, to be appointed by
18 the minority floor leader of the senate;

19 (7) One member of the house of representatives
20 committee with jurisdiction over transportation matters, to
21 be appointed by the minority floor leader of the house of
22 representatives;

23 (8) One representative of the trucking or heavy
24 vehicle industry, to be appointed by the president pro
25 tempore of the senate;

26 (9) One representative of electric vehicle
27 manufacturers or dealers, to be appointed by the speaker of
28 the house of representatives;

29 (10) One representative of conventional motor vehicle
30 manufacturers or dealers, to be appointed by the president
31 pro tempore of the senate;

32 (11) One representative of the petroleum industry or
33 convenience stores, to be appointed by the speaker of the
34 house of representatives;

35 (12) One representative of electric vehicle charging
36 station manufacturers or operators, to be appointed by the
37 president pro tempore of the senate; and

38 (13) One representative of electric utilities, to be
39 appointed by the speaker of the house of representatives.

40 2. The task force shall analyze the following in the
41 context of transportation funding and make recommendations
42 as to any actions the state should take to fund
43 transportation infrastructure in anticipation of more
44 widespread adoption of electric vehicles:

45 (1) Potential loss in motor fuel tax revenue as more
46 vehicles transition to electric;

47 (2) Interstate travel's contribution to revenue for
48 the department of transportation and local governments;

49 (3) Incentives to increase electric vehicle adoption;

50 (4) Service to areas of the state that
51 disproportionately lack electric vehicle charging
52 infrastructure; and

53 (5) Any other issues the task force considers relevant.

54 3. The department of transportation shall provide such
55 research, clerical, technical, and other services as the
56 task force may require in the performance of its duties.

57 4. The task force shall hold at least one public
58 meeting each year, at which it may invite testimony from
59 experts or solicit information from any party it deems may
60 have information relevant to its duties under this section.

61 5. No later than December 31, 2028, the task force
62 shall provide to the general assembly and the governor a
63 written report detailing its findings and recommendations,
64 including identifying any recommendations that may require
65 enabling legislation.

66 6. Members shall serve on the task force without
67 compensation, but may, at the discretion of the director of
68 the department of transportation, be reimbursed for actual
69 and necessary expenses incurred in the performance of their
70 official duties as members of the task force.

71 7. The task force shall expire on December 31, 2028.

✓