


COUNCIL OF THE DISTRICT OF COLUMBIA
1350 Pennsylvania Avenue, N.W.
Washington, D.C. 20004

Memorandum

To: Members of the Council
From:  Nyasha Smith, Secretary to the Council
Date: October 7, 2013
Subject: Referral of Proposed Legislation

Notice is given that the attached proposed legislation was introduced in the Office of the Secretary on Tuesday, October 01, 2013. Copies are available in Room 10, the Legislative Services Division.

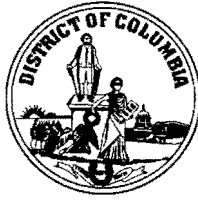
TITLE: "Alternate Fuel Vehicle Conversion Act of 2013", B20-0513

INTRODUCED BY: Chairman Mendelson at the request of the Mayor

The Chairman is referring this legislation sequentially to the Committee on Transportation and the Environment for the entire bill and the Committee on Finance and Revenue for section three (3) only.

Attachment

cc: General Counsel
Budget Director
Legislative Services



VINCENT C. GRAY
MAYOR

OCT - 1 2013

The Honorable Phil Mendelson
Chairman
Council of the District of Columbia
1350 Pennsylvania Ave., Suite 504
Washington, D.C. 20004

Dear Chairman Mendelson:

Today, I am transmitting one of the bills of the Sustainable DC Legislative Package of 2013 for consideration by the Council entitled the "*Alternative Fuel Vehicle Conversion Act of 2013.*"

Last year's Sustainable DC Act of 2012 represented an initial "down payment" on my vision for a more sustainable future – one that we expect will, in one generation, make the District of Columbia the healthiest, greenest, and most livable city in the United States. We have accomplished much in the past year and this package, coupled with the set of Mayor's Orders I will promulgate will enable changes to the legislative and regulatory landscape to ensure that we move even further along on the path of making the District an international destination for people and investment, and a model of innovative policies and practices that improve the quality of life and economic opportunity for all District residents. The components of this legislation work together to address challenges laid out in the Sustainable DC Plan: growing jobs and the economy, improving health and wellness, ensuring equity and diversity, and protecting our climate and the environment.


The "*Alternative Fuel Vehicle Conversion Act of 2013*" will provide new, partial tax rebates to vehicle owners who convert a gasoline or diesel-powered vehicle to run on alternative fuels such as compressed or liquefied natural gas, biodiesel, propane, fuel cells or electric power. Encouraging the conversion of gasoline and diesel-powered vehicles to lower emission vehicles will help clean the air and provide relief to residents with asthma and other respiratory conditions.

I urge the Council's prompt approval of this legislation.

Sincerely,

A handwritten signature in black ink that reads "Vincent C. Gray".
Vincent C. Gray

Enclosures


Chairman Phil Mendelson
at the request of the Mayor

A BILL

THE COUNCIL OF THE DISTRICT OF COLUMBIA

Chairman Phil Mendelson, at the request of the Mayor, introduced the following bill, which was referred to the Committee on _____.

To amend An Act To provide for the annual inspection of all motor vehicles in the District of Columbia prohibit the registration of a motor vehicle that operates exclusively on the combustion of petroleum diesel fuel; and to Chapter 18 of Title 47 to provide tax credits to individuals, corporations, and unincorporated businesses for the conversion of petroleum diesel or petroleum derived gasoline into alternative fuel vehicles.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the “Alternate Fuel Vehicle Conversion Act of 2013”.

Sec. 2. Section 2 of An Act To provide for the annual inspection of all motor vehicles in the District of Columbia, approved February 18, 1938 (52 Stat. 78; D.C. Official Code §50-1501 *et seq.*) is amended by adding a new subsection (j) to section 50-1501.02 read as follows:

“(l) Beginning January 1, 2018, the Mayor, or his designee, shall not register any motor vehicle for operation within the District, that was not previously registered within the District, which operates exclusively on the combustion of petroleum diesel fuel.”.

Sec. 3. Chapter 18 of Title 47 of the District of Columbia Official Code is amended as follows:

(a) The table of contents is amended by adding new section designations to read as follows:

1 (1) “47-1806.13. Tax on residents and non-residents – Credits – Alternative fuel
2 vehicle conversion credit.”.

3 (2) “47-1807.11. Tax on corporations – Credits – Alternative fuel vehicle
4 conversion credit.”.

5 (3) “47-1808.11. Tax on unincorporated businesses – Credits – Alternative fuel
6 vehicle conversion credit.”.

7 (b) A new section 47-1806.13 is added to read as follows:

8 “§47-1806.13. Tax on residents and non-residents – Credits – Alternative fuel vehicle
9 conversion credit.

10 “(a) For the purposes of this section, the term “alternative fuel” means a fuel produced to
11 power a motor vehicle, which consists of one or more of the following:

12 “(A) At least 85% ethanol;

13 “(B) Natural gas;

14 “(C) Compressed natural gas;

15 “(D) Liquefied natural gas;

16 “(E) Liquefied petroleum gas;

17 “(F) 100% biodiesel, excluding kerosene;

18 “(G) Electricity provided by a vehicle charging station; or

19 “(H) Hydrogen.

20 “(b) For taxable years commencing with the taxable year beginning on January 1, 2014,
21 through the taxable year beginning January 1, 2026, there shall be allowed against the tax
22 imposed by §47-1806.03 a credit in the amount of 50% of the equipment and labor costs directly

1 attributable to the cost to convert a petroleum diesel or petroleum derived gasoline fueled motor
2 vehicle licensed in the District to a operate on an alternative fuel source.

3 “(c) The credit claimed under this section in any one tax year may not exceed the
4 taxpayer’s tax liability under §47-1806.03 for that year and shall not be refundable.”.

5 (c) A new section 47-1807.11 is added to read as follows:

6 “§47-1807.11. Tax on corporations – Credits – Alternative fuel vehicle conversion credit.

7 “(a) For the purposes of this act, the term “alternative fuels” shall have the same meaning
8 set forth in section 47-1806.13(a).

9 “(b) For taxable years commencing with the taxable year beginning on January 1, 2014,
10 through the taxable year beginning January 1, 2026, there shall be allowed against the tax
11 imposed by §47-1807.02 a credit in the amount of 50% of the equipment and labor costs directly
12 attributable to the cost to convert a petroleum diesel or petroleum derived gasoline fueled motor
13 vehicle licensed in the District to a operate on an alternative fuel source.

14 “(c) The credit claimed under this section in any one tax year may not exceed the
15 taxpayer’s tax liability under §47-1807.02 for that year and shall not be refundable.”.

16 (d) A new section 47-1808.11 is added to read as follows:

17 “§47-1808.11. Tax on unincorporated businesses – Credits – Alternative fuel vehicle
18 conversion credit.”.

19 (a) For the purposes of this act, the term “alternative fuels” shall have the same meaning
20 set forth in section 47-1806.13(a).

21 “(b) For taxable years commencing with the taxable year beginning on January 1, 2014,
22 through the taxable year beginning January 1, 2026, there shall be allowed against the tax
23 imposed by §47-1808.03 a credit in the amount of 50% of the equipment and labor costs directly

1 attributable to the cost to convert a petroleum diesel or petroleum derived gasoline fueled motor
2 vehicle licensed in the District to a operate on an alternative fuel source.

3 “(c) The credit claimed under this section in any one tax year may not exceed the
4 taxpayer’s tax liability under §47-1808.03 for that year and shall not be refundable.”.

5 Sec. 6. Applicability

6 This act shall apply upon the inclusion of its fiscal effect in an approved budget and
7 financial plan, as certified by the Chief Financial Officer to the Budget Director of the Council in
8 a certification published by the Council in the District of Columbia Register.

9 Sec. 7. Fiscal impact statement.

10 The Council adopts the fiscal impact statement contained in the committee report as the
11 fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule
12 Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code §1-206.02(c)(3)(2001)).

13 Sec. 8. Effective date.

14 This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor,
15 action by the Council to override the veto), a 30-day period of Congressional review as provided
16 in section 602(c)(1) of the District of Columbia Home Rule Act, approved December 24, 1973
17 (87 Stat. 813; D.C. Official Code §1-206.02(c)(1)(2001)), and publication in the District of
18 Columbia Register.

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GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Attorney General



Legal Counsel Division

MEMORANDUM

TO: Karim D. Marshall, Esq.
Legislative and Regulatory Analyst/Government Relations
District Department of the Environment

FROM: Janet M. Robins
Deputy Attorney General
Legal Counsel Division

DATE: September 24, 2013

SUBJECT: Legal Sufficiency Review of Draft Bill entitled the "Alternative Fuel
Vehicle Conversion Act of 2013"
(AE-13-725)

This is to Certify that this Office has reviewed the above-referenced Draft Bill and found it to be legally unobjectionable. If you have any questions in this regard, please do not hesitate to call me at 724-5524.



Janet M. Robins