

SENATE BILL NO. 251

INTRODUCED BY

Luis Weldon

BY REQUEST OF THE ENVIRONMENTAL QUALITY COUNCIL

Donna Boreaty
OKR

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING A TRANSPORTATION ENERGY POLICY FOR THE STATE OF MONTANA; PROVIDING AN ALTERNATIVE FUELS POLICY AND IMPLEMENTING GUIDELINES; AND AMENDING SECTION 90-4-1001, MCA."

WHEREAS, in section 90-4-1003, MCA, the Legislature adopted a process for the incremental development of a comprehensive state energy policy; and

WHEREAS, under the provisions of that statute, the Department of Natural Resources and Conservation recommended to the Environmental Quality Council the development of a transportation energy policy as one component of a comprehensive state energy policy; and

WHEREAS, the Environmental Quality Council assigned a broad-based working group of stakeholders in the issues relating to development of a transportation energy policy to use a collaborative, consensus process to develop that policy; and

WHEREAS, these stakeholders included the Montana Department of Transportation, members of the Montana Highway Commission, the Department of Natural Resources and Conservation, representatives of state and local governments, highway users, railroad interests, utilities, commercial transportation interests, environmental groups, agricultural producers, bicycle and pedestrian interests, transportation planners, and representatives of petroleum producers; and

WHEREAS, the collaborative working group met regularly over an 8-month period to develop the following transportation energy policy goal statement and to recommend a specific component of a transportation energy policy on alternative fuels, along with implementing guidelines.

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

Section 1. Section 90-4-1001, MCA, is amended to read:

"90-4-1001. State energy policy goal statement. (1) It is the policy of the state of Montana to promote energy conservation, production, and consumption of a reliable and efficient mix of energy sources

1 that represent the least social, environmental, and economic costs and the greatest long-term benefits to
2 Montana citizens.

3 (2) In pursuing this goal, it is the policy of the state of Montana to:

4 (a) recognize that the state's energy system operates within the larger context of and is influenced
5 by regional, national, and international energy markets; ~~and~~

6 (b) maintain a continual process to review this energy policy statement and any future changes so
7 that Montana's energy strategy will provide for a balance between a sustainable environment and a viable
8 economy; and

9 (c) adopt a state transportation energy policy as provided in [section 2] and an alternative fuels
10 policy and implementing guidelines as provided in [section 3]."

11
12 **NEW SECTION. Section 2. Transportation energy policy.** It is the transportation energy policy
13 of the state of Montana to promote actions that encourage the conservation of energy through the
14 environmentally responsible management and planning of efficient transportation systems. This policy
15 further recognizes that energy conservation must be balanced with the state's interest in establishing,
16 preserving, and maintaining a safe, efficient transportation system that equitably meets the mobility needs
17 of Montana's citizens and connects them to the nation's economy.

18
19 **NEW SECTION. Section 3. Alternative fuels policy -- implementing guidelines.** (1) The state of
20 Montana encourages the use of alternative fuels and fuel blends to the extent that doing so produces
21 environmental benefits to the citizens of Montana.

22 (2) To implement the policy stated in subsection (1), the legislature recommends the following
23 guidelines:

24 (a) All policies and programs should have in-state benefits.

25 (b) Policies and programs should be coordinated among the affected agencies.

26 (c) The state recognizes incentives as a temporary tool to implement the alternative fuels policy.
27 Recipients of those incentives should develop a plan, including an educational component, to phase out the
28 incentive. In determining incentives, the state should:

29 (i) consider incentives for the producer, retail, and consumer levels;

30 (ii) establish a logical link between revenue sources and incentives; and

1 (iii) encourage the use of self-sufficient markets.

2 (d) Any state alternative fuels program should have measurable benefits that are communicated
3 to the public.

4 (e) State and local governments should be encouraged to set an example with their vehicle fleets
5 in the use of alternative fuels and fuel blends.

6 (f) Consistent with the guidelines in subsections (2)(a) through (2)(e), the state encourages
7 production of alternative fuels and fuel blends.

8 -END-

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2 INTRODUCED BY SWYSGOOD, KNOX, COCCHIARELLA, GROSFIELD, QUILICI, DOHERTY, WELDON,

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