

# STATE ALTERNATIVE FUEL LAWS AND INCENTIVES

STATE	ALTERNATIVE FUEL LAWS AND REGULATIONS	ALTERNATIVE FUEL INCENTIVES								
<b>COLORADO</b>	<p>The state government is required to increase its purchase of AFVs, as a percentage of new vehicle purchases, according to the following fiscal year (FY) schedule:</p> <table data-bbox="999 323 1189 427"><tr><td>FY 1992:</td><td>10%</td></tr><tr><td>FY 1993:</td><td>20%</td></tr><tr><td>FY 1994:</td><td>30%</td></tr><tr><td>FY 1995:</td><td>40%</td></tr></table> <p>The state realized the need to establish emissions performance standards for retrofit conversion systems. Colorado's Air Quality Control Commission (AQCC) adopted Regulation No. 14, establishing emissions performance criteria that aftermarket conversion systems must meet to be certified for sale in the state. The regulation also provides for the revocation of certification, if warranted, based on the exhaust emissions results from testing in-use vehicles.</p> <p>AQCC Regulation No. 17 implements the state's Clean Fuels Fleet Program for the Denver Metropolitan Area, beginning in 1998.</p> <p>The City and County of Denver required fleets of 30 or more vehicles that are registered in the city to convert 10% of their vehicles from gasoline to clean-burning fuels no later than Dec. 31, 1992.</p> <p>Legislation adopted in 1992 established a certification program for mechanics converting motor vehicles to alternative fuels and working on alternative fuel fleets.</p> <p>In 1993, Denver Mayor Webb promised to reduce the size of city fleets and to stock them with less-polluting vehicles. Under the "Green Fleets" plan, fuel expenditures must be cut by 1% annually, and city fleets must reduce their CO emissions by 1.5%, which may be achieved through the purchase of AFVs.</p> <p>H.B. 1101, which modifies an existing law, calls for owners or operators of motor vehicles powered by LPG or CNG to pay an annual fuel tax and receive an identifying windshield decal from the vendors and/or distributors of such fuels. Annual fees for the decal range from \$70 to \$120, depending on vehicle size. Nonprofit transit agencies are exempt from the fuel tax.</p>	FY 1992:	10%	FY 1993:	20%	FY 1994:	30%	FY 1995:	40%	<p>On July 1, 1992, Colorado established an alternative fuels financial incentive program to promote the conversion of motor vehicles to run on alternative fuels and to promote the purchase of such vehicles in the state.</p> <p>Under this program, the owner of any new or converted motor vehicle is eligible to apply for financial incentives when the vehicle operates on CNG, propane, electricity or any other fuel that will achieve comparable emission reduction levels. Financial incentives will be graduated to provide greater rebates for those vehicles that reduce emissions of CO and "brown-cloud pollutants." The AQCC will promulgate rules to establish the amount of available incentives.</p> <p>In taxable years commencing July 1, 1992, the state has established a tax credit of 5% for the purchase of business vehicles using clean-burning alternative fuels or a vehicle converted within 120 days of the date of delivery to use alternative fuels. Clean-burning alternative fuels are defined as "natural gas, LPG, E85, M85, electricity, or any other alternative fuel approved by the AQCC." The credit shall not exceed 50% of the actual cost of such conversions and is limited to 50 cars or trucks for each taxable year.</p>
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