

FOR IMMEDIATE RELEASE
DATE: MARCH 20, 2009
CONTACT: SEN. NICK GAUTREAU
PHONE: (337) 740-6425

SEN. NICK GAUTREAU AND REP. JANE SMITH
INTRODUCE NATURAL GAS LEGISLATION

Louisiana State Representative Jane Smith, R-Bossier City and Senator Nick Gautreaux, D-Abbeville, have joined forces to co-author new legislation to make alternative fuels more readily available to consumers and increase usage of natural gas vehicles in Louisiana. The new legislation, which includes increased income tax credits and incentives for consumers and corporate entities, will be introduced when the Louisiana Legislature convenes for its regular session in April, 2009.

“We have a terrific opportunity with this legislation to help our citizens and businesses use clean-burning Louisiana natural gas as an affordable fuel for their vehicles,” said Smith. “With proper incentives in place, Louisiana retailers can offer Compressed Natural Gas (CNG) as an alternative fuel to consumers who take advantage of the ability to convert their car or truck or purchase a new natural gas vehicle. Small businesses who want to enter the CNG market will benefit, the environment would be better for it, and jobs will be created to convert and service vehicles. This legislation will also help continue the long-term investment being made in our state from the companies exploring and producing this truly American fuel. The benefits and opportunities are as abundant as the natural gas.”

Gautreaux is a member of the Louisiana Senate’s Natural Resources Committee, which has worked to promote various supplies of energy and provides oversight for environmentally responsible natural gas production. In 2007, Gautreaux was recognized as the “Father of the Louisiana Solar Energy Industry” by the Louisiana Clean-Tech Network (LCTN), a non-profit corporation promoting the development of clean industry technologies in the state. Gautreaux was responsible for passage of legislation which provided a state tax credit for wind and solar energy systems for residents and businesses.

“With potentially the largest natural gas field in the United States, Louisiana is poised to support an energy policy that enhances our national security and promotes a cleaner environment in our country and state,” said Gautreaux. “What we need now are incentives for both consumers and companies so all can reap the benefits.”

According to current law, alternative fuel is defined as a fuel which results in comparably low emissions of oxides of nitrogen, volatile organic compounds, carbon monoxide, or any combination thereof. A common type of alternative fuel includes compressed natural gas (CNG), which is drawn from domestically drilled gas wells. According to the Louisiana Oil and Gas Association (LOGA), natural gas is a cleaner burning energy source than other fossil fuels and is in abundant supply in the state and nationwide.

“Our number one priority for this legislative session is the CNG legislation,” said Don Briggs, President of LOGA. “With such prolific natural gas production in North Louisiana’s Haynesville Shale Play, it is critical that new tax credits and incentives be put into place to address our increasing need for independence from foreign oil as well as mobile sources of pollution in our state. Natural gas is the alternative fuel that can help us do that.”

The new legislation includes provisions to:

- **Increase the existing income tax credit from 20% to 50% for purchase of qualified clean burning motor vehicle fuel property, including equipment installed on a motor vehicle and property directly related to the delivery of an alternative fuel.**
- **Increase the existing income tax credit for the purchase of a motor vehicle with qualified clean burning motor vehicle fuel property installed by the manufacturer of such vehicle in an amount not exceeding the lesser of 20% of 10% of the cost of the motor vehicle or \$1,500, whichever is less to 10% of the cost of the vehicle or \$3,000, whichever is less.**
- **Establish the existing credit as a refundable income tax credit if no taxes are owed.**
- **Repeal provisions under current law that prohibit a company or individual who qualifies for Louisiana’s Quality Jobs Program from taking advantage of the existing income tax credits for alternative fueled vehicles and equipment.**

"This is an excellent piece of legislation," said Chris John, President of the Louisiana Mid-Continent Oil and Gas Association, a trade association representing all of the major oil and gas companies in the State of Louisiana. "This bill accomplishes several objectives for the citizens of Louisiana: it promotes natural gas, creates jobs, provides a tax benefit and enhances our environment by reducing mobile emissions. It is an example of how legislation can address the importance of alternative fuels as an energy choice without mandates, and is a balanced approach and excellent step in addressing our energy future."

The Louisiana Legislature convenes on Monday, April 27, 2009 and adjourns on Thursday, June 25, 2009.

For information on this and other important issues, citizens can go to <http://senate.legis.state/la.us/GautreauxN>.

###