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This bill reduces the motor fuels tax rate for compressed natural gas (CNG) in the per thousand cubic feet calculation of the rate, and sets a gasoline equivalent (i.e., for comparing energy content of CNG to gasoline) in cubic feet.

CNG has a physical state that is gaseous (although it can be super-cooled into a liquid form). CNG is dispensed and therefore measured in different ways compared to liquid fuels such as gasoline and diesel, which are measured in gallons.