

SENATE COMMITTEE SUBSTITUTE

FOR

SENATE BILL NO. 96

AN ACT

To repeal section 414.152, RSMo, and to enact in lieu thereof two new sections relating to biodiesel fuel, with an existing penalty provision.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Section 414.152, RSMo, is repealed and two new sections enacted in lieu thereof, to be known as sections 414.152 and 414.600, to read as follows:

414.152. 1. Any person found in violation of any provision of sections 414.012 to 414.152 or section 414.600 shall be deemed guilty of a class A misdemeanor. The prosecutor of each county in which a violation occurs shall be empowered to bring an action hereunder. But if a prosecutor declines to bring such action, then the attorney general may bring an action instead, and in so doing shall have all the powers and jurisdiction of such prosecutor.

2. The prosecuting attorney of any county in which a violation of any provision of this chapter occurs or the attorney general is hereby authorized to apply to any court of competent jurisdiction for, and such court shall have jurisdiction upon hearing and for cause shown to grant, a temporary or permanent injunction to restrain any person from violating any provision of this chapter.

3. Any person who is found, upon investigation by the department of agriculture or by the department of revenue, to be in possible violation of any provision of this chapter shall be notified by certified mail of the facts constituting such violation, and shall be afforded an opportunity by the appropriate director to explain such

facts at an informal hearing to be conducted within fourteen days of such notification. In the event that such person fails to timely respond to such notification or upon unsuccessful resolution of any issues relating to an alleged violation, such person may be summoned to a formal administrative hearing before a hearing officer conducted in conformance with chapter 536 and if found to have committed one or more violations, may be ordered to cease and desist from such violation, such order to be enforceable in circuit court, and, in addition, may be required to pay a penalty of not more than five hundred dollars per violation and five hundred dollars for each day such violation continues. Any party to such hearing aggrieved by a determination of a hearing officer may appeal to the circuit court of the county in which such party resides, or if the party is the state, in Cole County, in accordance with chapter 536.

414.600. 1. This section shall be known and may be cited as the "Missouri Made Fuels Act".

2. For purposes of this section, the following terms shall mean:

(1) "Biodiesel blend", a blend of diesel fuel and biodiesel fuel between six percent and twenty percent for on-road and off-road diesel-fueled vehicle use. Biodiesel blend shall comply with the ASTM International specification D7467-19, or the most recent specification;

(2) "Biodiesel fuel", a renewable, biodegradable, mono alkyl ester combustible liquid fuel that is derived from agricultural and other plant oils or animal fats and that meets the ASTM International specification D6751-19, or the most recent specification, for Biodiesel Fuel (B100) Blend Stock for Distillate Fuels. Biodiesel produced from palm oil is not biodiesel fuel for the purposes of this section,

unless the palm oil is contained within waste oil and grease collected within the United States.

3. Except as otherwise provided in this section, all diesel fuel sold or offered for sale in Missouri for use in internal combustion engines shall contain at least the following stated percentage of biodiesel fuel oil by volume on and after the following dates:

(1) April 1, 2023, and until March 31, 2024, five percent; and

(2) Beginning April 1, 2024, ten percent.

Except as provided in this subsection, the minimum content level in subdivision (2) of this subsection is effective during the months of April, May, June, July, August, September, and October only and the minimum content for the remainder of the year is five percent. However, if the Missouri department of agriculture's division of weights and measures determines that an ASTM International specification or equivalent federal standard exists for the specified biodiesel blend level in subdivision (2) of this subsection that adequately addresses technical issues associated with Missouri's typical weather patterns and publish a notice in the Missouri register to that effect, the department of agriculture may allow the specified biodiesel blend level in subdivision (2) of this subsection to be effective year-round. In each year that the seasonal reduction to five percent is in effect, the minimum content level of diesel fuel sold or offered for sale in Missouri from April first to April fourteen may be less than the level required under subdivision (2) of this subsection in order to allow for the transition of blends.

4. The minimum content level in subdivision (2) of subsection 3 of this section shall become effective on the date specified only if the director of the department of

agriculture submits notice in the Missouri register that the following conditions have been met and the state is prepared to move to the next scheduled minimum content level:

(1) An ASTM International specification or equivalent federal standard exists for the next minimum diesel-biodiesel blend; and

(2) A sufficient supply of biodiesel is available and at least fifty percent of the biodiesel is produced in the state of Missouri.

5. The minimum content requirements of subsection 3 of this section do not apply to fuel used in the following equipment or for the following purposes:

(1) Motors located at an electric generating plant;

(2) Railroad locomotives;

(3) Off-road mining equipment and machinery;

(4) Off-road logging equipment and machinery;

(5) Heavy construction equipment and machinery;

(6) Vessels of the United States Coast Guard and vessels subject to inspection under 46 U.S.C. Section 3301(1), (9), (10), (13), or (15); and

(7) Emergency fuel reserves at state owned facilities.

6. (1) A refinery or terminal shall provide, at the time diesel fuel is sold or transferred from the refinery or terminal, a bill of lading or shipping manifest to the person who receives the fuel. For biodiesel-blended products, the bill of lading or shipping manifest shall disclose biodiesel content, stating volume percentage, gallons of biodiesel per gallons of petroleum diesel base-stock, or an ASTM "Bxx" designation where "xx" denotes the volume percent biodiesel included in the blended product. This subsection shall not apply to sales or transfers of biodiesel blend stock between refineries, between terminals, or between a refinery and a terminal.

(2) A delivery ticket required under section 413.125 for a biodiesel blend shall state the volume percentage of biodiesel blended into the diesel fuel delivered through a meter into a storage tank used for dispensing into motor vehicles powered by an internal combustion engine and not exempt under subsection 3 of this section.

7. The provisions of section 414.152 shall apply for purposes of enforcement of this section.

8. The department of agriculture and the department of natural resources shall establish rules and regulations to implement the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2021, shall be invalid and void.