
**Technology, Energy &
Communications Committee**

HB 2393

Brief Description: Funding energy freedom projects.

Sponsors: Representatives Dunshee, Jarrett, Ormsby, Cox, Ericks, Newhouse, Kilmer, Chase, McCoy, Morrell, Moeller, Conway, P. Sullivan, Walsh, Springer, Buri, Haler, Wallace, Grant, Dickerson, Morris, B. Sullivan, Simpson, Upthegrove, Sells and Green.

Brief Summary of Bill

- Establishes a Seed Crusher Loan Program within the Department of Community, Trade, and Economic Development.

Hearing Date: 1/12/06

Staff: Kara Durbin (786-7133).

Background:

Biodiesel is a non-petroleum diesel fuel produced from vegetable or animal fats. It is commonly produced from oilseed plants such as soybean, mustard, rapeseed, or canola oil, or from recycled vegetable oils. It can be blended at any percentage with petroleum diesel or used as a pure product (neat diesel). The most common blend rate is 20 percent biodiesel, 80 percent petroleum diesel.

Establishing a large-scale oilseed industry in the state will likely require crop production, oilseed crushing facilities, and processing plants. In Washington, potential crops for oilseed production include mustard, rapeseed, and canola. In order to convert an oilseed into vegetable oil, a crusher is used to crush the seed and extract the oil. After the oil is extracted, a processing facility is needed to mix, refine, and blend the oil before it can be ready for use as a diesel fuel.

Summary of Bill:

A Seed Crusher Loan Program is established in the Department of Community, Trade, and Economic Development (DCTED). A total of \$9 million in funding is appropriated to DCTED to implement the program.

A Public Works Assistance Account appropriation of \$5 million for military communities infrastructure projects in the 2005-07 Capital Budget is eliminated and reallocated to the Seed

Crusher Loan Program. An additional \$4 million of state general obligation bonds is also appropriated for the program.

Appropriation: A sum of \$9,000,000 from the State Building Construction Account is appropriated.

Fiscal Note: Not requested.

Effective Date: The bill contains an emergency clause and takes effect immediately.