SENATE BILL 6458

State of Washington 61st Legislature 2010 Regular Session

By Senators Ranker, Honeyford, Rockefeller, Delvin, Marr, Hargrove, Gordon, Shin, and Kline

Read first time 01/14/10. Referred to Committee on Environment, Water & Energy.

- AN ACT Relating to minimum renewable fuel content requirements;
- 2 amending RCW 19.112.020, 19.112.060, 19.112.110, 19.112.160, and
- 3 19.112.900; adding a new section to chapter 19.112 RCW; adding a new
- 4 section to chapter 42.56 RCW; repealing RCW 19.112.120, 19.112.130,
- 5 19.112.140, 19.112.150, 19.112.170, 19.112.180, and 43.19.643; and
- 6 prescribing penalties.
- 7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 8 **Sec. 1.** RCW 19.112.020 and 2006 c 338 s 8 are each amended to read 9 as follows:
- 10 (1) This chapter shall be administered by the director or his or 11 her authorized agent. ((For the purpose of administering this chapter,
- 12 for motor fuel except biodiesel fuel,))
- 13 (2)(a) The director shall adopt rules for maintaining standards for 14 motor fuel. The rules may include:
- 15 (i) All or part of the standards set forth in the Annual Book of
- 16 ASTM Standards and supplements (($\frac{\text{thereto}}{\text{or}}$)), (($\frac{\text{and}}{\text{or}}$)) amendments, or
- 17 revisions thereof((, are adopted, together with))<u>;</u>
- 18 (ii) All or part of the standards set forth in the national

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institute of standards and technology (NIST) handbook 130, uniform laws and regulations in the areas of legal metrology and engine fuel quality rules, and any supplements, amendments, or revisions thereof; and

(iii) Any applicable federal environmental protection agency standards.

- (b) If a conflict exists between federal environmental protection agency standards, ASTM standards, NIST standards, or state standards, for purposes of uniformity, federal environmental protection agency standards shall take precedence over ASTM and NIST standards. Any state standards adopted must be consistent with federal environmental protection agency standards and ASTM and NIST standards not in conflict with the federal environmental protection agency standards.
- $((\frac{2}{2}))$ (3) The director may establish a fuel testing laboratory or 14 may contract with a laboratory for testing.
 - (4) The director may ((also)) adopt rules on false and misleading advertising, labeling and posting of prices, and the standards for, and identity of, motor fuels. The director ((shall)) may require fuel pumps offering biodiesel and ethanol blends to be identified by a label stating the percentage of biodiesel or ethanol.
 - (((3) The rules adopted under RCW 19.112.140 shall also provide that the diesel refiner is responsible for meeting the ASTM standards required by chapter 338, Laws of 2006 when providing diesel fuel into the distribution system.))
- 24 Sec. 2. RCW 19.112.060 and 2006 c 338 s 6 are each amended to read 25 as follows:
 - $(1)((\frac{1}{2}))$ Any person who knowingly violates any provision of this chapter or rules adopted under it is guilty of a misdemeanor and, upon conviction, shall be punished by a fine of not more than one thousand dollars or imprisonment for not more than one year, or both.
 - ((\(\frac{(b)}{b}\))) (2) The director ((\(\frac{shall}{shall}\))) may assess a civil penalty ranging from one hundred dollars to ten thousand dollars per occurrence, giving due consideration to the appropriateness of the penalty with respect to the gravity of the violation, and the history of previous violations. Civil penalties collected under this chapter shall be deposited into the motor vehicle fund.
- $((\frac{2}{10})$ The penalties in subsection (1)(a) of this section do not apply to violations of RCW 19.112.110 and 19.112.120.

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Sec. 3. RCW 19.112.110 and 2009 c 132 s 2 are each amended to read 2 as follows:

- (1) ((Special fuel licensees under chapter 82.38 RCW, other than international fuel tax agreement licensees, dyed special fuel users, and special fuel distributors, shall provide evidence to the department of licensing that at least two percent of the total annual diesel fuel sold in Washington is biodiesel or renewable diesel fuel, following the earlier of: (a) November 30, 2008; or (b) when a determination is made by the director, published in the Washington State Register, that feedstock grown in Washington state can satisfy a two percent requirement)) Beginning August 1, 2010, all diesel fuel sold or offered for sale in western Washington must contain at least two percent biodiesel fuel or renewable diesel fuel by volume. Beginning October 1, 2010, all diesel fuel sold or offered for sale in eastern Washington must contain at least two percent biodiesel fuel or renewable diesel fuel or renewable diesel fuel or renewable diesel fuel by volume.
 - (2) ((Special fuel licensees under chapter 82.38 RCW, other than international fuel tax agreement licensees, dyed special fuel users, and special fuel distributors, shall provide evidence to the department of licensing that at least five percent of total annual diesel fuel sold in Washington is biodiesel or renewable diesel fuel, when the director determines, and publishes this determination in the Washington State Register, that both in state oil seed crushing capacity and feedstock grown in Washington state can satisfy a three percent requirement)) Beginning sixty days after the director determines that production of biodiesel fuel in this state from feedstock grown or produced in Washington, Oregon, Idaho, and Montana has reached a level of at least twenty-five million gallons over the preceding twelve months, all diesel fuel sold or offered for sale in Washington must contain at least five percent biodiesel fuel or renewable diesel fuel by volume.
 - (3) ((The requirements of subsections (1) and (2) of this section shall take effect no sooner than one hundred eighty days after the determination has been published in the Washington State Register.
 - (4))) The director ((and the director of licensing shall each)) may adopt rules((, in coordination with each other,)) for enforcing and carrying out the purposes of this section.

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- 1 (4) The requirements of this section do not apply to fuel sold or
- 2 offered for sale for use by railroad locomotives or marine engines,
- 3 unless otherwise required by law.
- 4 **Sec. 4.** RCW 19.112.160 and 2006 c 338 s 11 are each amended to read as follows:
- The governor, by executive order, may suspend all or portions of the minimum renewable fuel content requirements in RCW 19.112.110 or
- 8 ((19.112.120, or)) 43.19.642, based on a determination that such
- 9 requirements are temporarily technically or economically infeasible, or
- 10 pose a significant risk to public safety.
- 11 **Sec. 5.** RCW 19.112.900 and 1990 c 102 s 11 are each amended to
- 12 read as follows:
- 13 ((RCW 19.112.005 through 19.112.080 shall constitute a new chapter
- 14 in Title 19 RCW and)) This chapter may be cited as the motor fuel
- 15 quality act.
- NEW SECTION. Sec. 6. A new section is added to chapter 19.112 RCW to read as follows:
- 18 (1) Each biodiesel producer in Washington must keep records
- 19 documenting the quantity of biodiesel produced and the quantity of
- 20 biodiesel produced from agricultural and nonagricultural feedstock
- 21 grown or produced in Washington, Oregon, Idaho, and Montana. Biodiesel
- 22 production information must be provided to the department of
- 23 agriculture on a form prescribed by the director.
- 24 (2) The director shall have access to the records at any reasonable
- 25 time for the purpose of carrying out this chapter.
- 26 (3) The director may adopt rules to implement this section.
- 27 (4) Failure to maintain records or to submit production information
- 28 to the department of agriculture is a violation of this chapter.
- 29 (5) Information that can be identified to a particular business and
- 30 that is collected under this section is exempt from public disclosure
- 31 under chapter 42.56 RCW.
- 32 <u>NEW SECTION.</u> **Sec. 7.** A new section is added to chapter 42.56 RCW
- 33 to read as follows:

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- All records produced under section 6 of this act that can be identified to a particular business are exempt from disclosure under this chapter.
- 4 <u>NEW SECTION.</u> **Sec. 8.** The following acts or parts of acts are each 5 repealed:
- 6 (1) RCW 19.112.120 (Motor vehicle fuel licensees--Required sales of denatured ethanol--Rules--Limitation of section) and 2007 c 309 s 2 & 2006 c 338 s 3;
- 9 (2) RCW 19.112.130 (Information submitted under RCW 19.112.110 or 19.112.120--Limitation on release) and 2006 c 338 s 4;
- 11 (3) RCW 19.112.140 (Standards for biodiesel fuel/fuel blended with 12 biodiesel fuel--Rules) and 2006 c 338 s 7;
- 13 (4) RCW 19.112.150 (Biofuels advisory committee) and 2006 c 338 s 14 9;
- 15 (5) RCW 19.112.170 (Determination of the supply of certain fuels-16 Notification--Declaration concerning the applicability of RCW
 17 19.112.110 or 19.112.120) and 2006 c 338 s 13;
- 18 (6) RCW 19.112.180 (Goals under RCW 19.112.170--Report--Executive request legislation) and 2006 c 338 s 14; and
- 20 (7) RCW 43.19.643 (Biodiesel fuel blends--Definitions) and 2003 c 21 17 s 3.

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