HOUSE BILL REPORT

HJM 4004

As Reported By House Committee on: Energy & Utilities

Brief Description: Requesting Congress to increase ethanol content in motor fuel.

Sponsor(s): Representatives Nealey, Grant, Beck, Valle, May, Ludwig, Betrozoff, Rayburn, Chandler, Prince, McLean, Hochstatter, Rasmussen, Silver, Vance, D. Sommers, Jacobsen, R. King, Bowman, Fuhrman, Paris, Horn, Moyer and Broback.

Brief History:

Reported by House Committee on: Energy & Utilities, February 26, 1991, DP.

HOUSE COMMITTEE ON ENERGY & UTILITIES

Majority Report: Do pass. Signed by 10 members: Representatives Grant, Chair; H. Myers, Vice Chair; May, Ranking Minority Member; Hochstatter, Assistant Ranking Minority Member; Bray; Casada; Cooper; R. Fisher; Miller; and Rayburn.

Staff: Fred Adair (786-7113).

Background: Gasohol ,a blend of gasoline and ethanol, reduces reliance on imported oil and increases the market for domestically grown crops, the feedstock for ethanol production.

Increased gasohol use can both improve national balance of payments and improve the nation's farm economy.

Summary of Bill: Congress is urged to enact legislation to require that the amount of ethanol in all motor vehicle fuel sold in the country by wholesale distributors be increased to 5 percent by 1993.

Fiscal Note: Not requested.

Testimony For: Currently, ethanol use nationally is about 1 percent. It could be 10 percent with savings of imported oil, substitution of domestically-produced renewable resources for non-renewable oil, improved air quality, and

enhancement of the country's agricultural economy. Gasohol, 10 percent ethanol, can readily be used in automobile engines.

Testimony Against: There is potential for damage to engines, dangerously so for two cycle engines. The warning on pumps may not get everyone's attention. There is increased formaldehyde formulation. A preference would be having a variety of choices in fuel blending.

Witnesses: Representative Darwin Nealey, prime sponsor (pro); Representative Gary Chandler (pro); Dr. William Kinsel, Washington State University/Tri-Cities Campus (pro); Mike Ryherd, Time Oil Company (pro); Lis Guildemeister, Washington Association of Wheat Growers and Washington Association of Oil Marketers (pro); Jim Harding and Dr. Jim Kerstetter, State Energy Office (pro); Mike Gallion, small engine repair business owner (pro); Jack Swanberg, Northwest Marine Trade Association (no position); Vern Lindskog and Jim White, ARCO (con); and Bruce Olson, American Automobile Association of Washington (con).