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HOUSE BILL 3357

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State of Washington                      60th Legislature                      2008 Regular Session

By Representatives Roach, Kirby, and Rodne

Read first time 02/07/08.      Referred to Committee on Technology,  
Energy & Communications.

1            AN ACT Relating to the development of renewable fuels; adding a new  
2 section to chapter 19.112 RCW; and creating a new section.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4            NEW SECTION.    **Sec. 1.** The legislature recognizes that:    Rising  
5 fuel costs are adversely impacting the Washington state economy;  
6 dependence upon oil imports is a continuing threat to national  
7 security; Washington state residents have a vested interest in  
8 providing environmentally sound energy alternatives and solutions for  
9 low-income residents in heating their homes; Washington state has  
10 developed policies that support recycling and alternative energy  
11 efforts; yellow and brown grease cause a major problem in Washington  
12 state sewage; yellow and brown grease are estimated by the United  
13 States environmental protection agency to cause up to seventy percent  
14 of sewer plant blockages and thirty percent of pump station failures;  
15 and the result of such sewer plant blockages and pump station failures  
16 is that untreated sewage is discharged directly into the rivers, lakes,  
17 and waterways of Washington state.

1        NEW SECTION.    **Sec. 2.**    A new section is added to chapter 19.112 RCW  
2 to read as follows:

3        (1) A fund of up to five million dollars shall be made available  
4 for grants for converting yellow or brown grease into biodiesel or  
5 renewable diesel fuel, or both. For purposes of this act, "biodiesel"  
6 shall be defined as a diesel fuel substitute produced from vegetable  
7 oils, animal fats, biomass, or other nonpetroleum renewable resources  
8 that meet the registration requirements for fuels and fuel additives  
9 established by the United States environmental protection agency and  
10 any blending components derived from renewable fuel.

11        (2) Counties, municipalities, port districts, water districts, or  
12 other special taxation districts may apply for any portion of the grant  
13 to be utilized in developing a facility that produces biodiesel from  
14 waste vegetable oil, known as yellow grease, and brown grease recovered  
15 from grease traps or interceptors of restaurants or other commercial  
16 kitchen facilities.

17        (3) This grant is limited only to those production facilities that  
18 convert diesel fuel from used vegetable oils, animal fats, biomass, or  
19 other nonpetroleum renewable resources.

20        (4) To be eligible for grant money, the county, municipality, port  
21 district, water district, or other special taxation district must work  
22 with a company that meets the following minimum criteria:

23        (a) Licensed as a corporation under the laws of the state of  
24 Washington for a period of one year prior to the date of grant  
25 application; and

26        (b) Has been in continuous production of biodiesel for a period of  
27 not less than twelve months and has a demonstrated ability in biofuel  
28 production particularly from multisource, nonvirgin, and waste  
29 feedstock.

30        (5) A county, municipality, port district, water district, or other  
31 special taxation district may seek a grant of funds for use in  
32 establishing a facility that converts yellow or brown grease into  
33 biodiesel if the private company they are collaborating with meets the  
34 criteria in subsection (4) of this section.

35        (6) Grants shall be available in one million dollar increments to  
36 qualifying public entities who seek to support the construction of a  
37 facility that converts yellow or brown grease to biodiesel, subject to  
38 the following minimum requirements:

1 (a) A grant of one million dollars shall be available for a  
2 facility that produces a minimum of five hundred thousand gallons of  
3 biodiesel fuel from yellow or brown grease over a one-year period once  
4 the construction of the facility is complete; or

5 (b) A grant of two million dollars shall be available for a  
6 facility that shall produce a minimum of one million two hundred  
7 thousand gallons of biodiesel fuel from yellow or brown grease over a  
8 one-year period once construction of the facility is complete.

9 (7) Any facility receiving a grant from this fund through a county,  
10 municipality, water district, port district, or other special taxation  
11 district must engage in one of the following fuel for low-income  
12 residents programs:

13 (a) The facility shall make available at least seven percent of  
14 that fuel to low-income residents with a minimum discount of one dollar  
15 per gallon for a fifteen-year period once the facility is complete.  
16 For each one million dollars in grant money, there shall be a minimum  
17 of seventy thousand gallons of biofuel, either home heating oil or  
18 biodiesel, made available to low-income residents with the one dollar  
19 per gallon discount. After fifteen years, the facility shall make a  
20 minimum of three percent of fuel produced available with the one dollar  
21 per gallon discount in a fuel for low-income residents programs. This  
22 shall continue for the life of the facility; and

23 (b) The program must be implemented no later than two years after  
24 the grant has been made. In the event the program is not implemented  
25 within the specified time frame, the state shall have the right to  
26 demand immediate repayment of the grant in full.

27 (8) The fuel for low-income residents program and the distribution  
28 of funds in the program shall be administered by the office of the  
29 state auditor.

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