SENATE AMENDMENTS TO A-ENGROSSED HOUSE BILL 3463

By COMMITTEE ON ENVIRONMENT AND NATURAL RESOURCES

June 3

1 On page 1 of the printed A-engrossed bill, after line 3, insert:

2 "The Legislative Assembly finds that:

3 "(1) The technology to produce other renewable diesel is not fully developed, approval of other 4 renewable diesel as a registered fuel by the United States Environmental Protection Agency has 5 been obtained in only one state and production of other renewable diesel for general market con-6 sumption is not occurring in Oregon or any other state at the present time.

"(2) Appropriate definitions and standards for the production and use of other renewable diesel
have not been fully ascertained or established.

9 "(3) The efficiencies and consequences of producing and using diesel fuel that contains other 10 renewable diesel are unknown and remain to be identified on a national level.

"(4) It would be premature for Oregon to attempt to regulate other renewable diesel given the lack of technology and standards for the production and use of other renewable diesel. Given the interest in other renewable diesel, it is anticipated that a market for, and the means for production of, other renewable diesel will be established within the next two years, at which time Oregon may adopt appropriate regulations of other renewable diesel.

"(5) It would not serve the interests of encouraging the development of a market and the means for production of other renewable diesel to implement a ban or prohibition on other renewable diesel; therefore it is the policy of this state to neither regulate nor prohibit the production, sale or use of other renewable diesel, whether produced in Oregon or another state, until after January 2, 2012.

21 "(6) The technology and standardization for production, use and sale of biodiesel fuel currently 22 exists to a commercially viable degree in Oregon and elsewhere.

"(7) Given the current state of the market for and the means to produce biodiesel fuel, it is a legitimate and appropriate exercise of Oregon's police powers to regulate the production, use and sale of biodiesel fuel in this state.".

26 On page 2, line 23, after "(2)" insert "and after the dates specified in ORS 646.921 (2)(a) and 27 (b)".

28 On page 4, delete lines 29 through 45 and insert:

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"SECTION 6. ORS 646.922, as amended by section 2 of this 2009 Act, is amended to read:

30 "646.922. (1) Upon receipt of the notice given under ORS 646.921 (2) and after the dates specified 31 in ORS 646.921 (2)(a) and (b), a retail dealer, nonretail dealer or wholesale dealer may not sell or 32 offer for sale diesel fuel unless the diesel fuel contains at least two percent biodiesel by volume or 33 other renewable diesel with at least two percent renewable component by volume.

"(2) Two months after the date of the notice given under ORS 646.921 (3), a retail dealer, nonretail dealer or wholesale dealer may not sell or offer for sale diesel fuel unless the diesel fuel 1 contains at least five percent biodiesel by volume or other renewable diesel with at least five

2 percent renewable component by volume. Diesel fuel containing more than five percent biodiesel
3 by volume or other renewable diesel with more than five percent renewable component by

4 **volume** must be labeled as provided by the State Department of Agriculture by rule.

5 "(3) The department shall adopt standards for biodiesel **or other renewable diesel** sold in this 6 state. The department shall consult the specifications established for biodiesel **or other renewable** 7 **diesel** by ASTM International in forming its standards. The department may review specifications 8 adopted by ASTM International, or equivalent organizations, and revise the standards adopted pur-9 suant to this subsection as necessary.

"(4) The minimum biodiesel fuel content or renewable component in other renewable diesel requirements under subsections (1) and (2) of this section do not apply to diesel fuel sold or offered for sale for use by railroad locomotives, marine engines or home heating.".

13 On page 5, delete lines 1 and 2.

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