

SB038_L.002

SENATE COMMITTEE OF REFERENCE AMENDMENT

Committee on Transportation & Energy.

SB20-038 be amended as follows:

1 Amend printed bill, strike everything below the enacting clause and
2 substitute:

3 "SECTION 1. In Colorado Revised Statutes, **add** 8-20-236 as
4 follows:

5 **8-20-236. Nonattainment area biodiesel-blended fuel standard**
6 **- exemption - definitions - rules.** (1)(a) EXCEPT AS PROVIDED BY RULES
7 PROMULGATED PURSUANT TO SUBSECTION (1)(b) OF THIS SECTION:

8 (I) ON OR AFTER JUNE 1, 2021, ALL DIESEL FUEL SOLD OR OFFERED
9 FOR SALE IN A NONATTAINMENT AREA FROM JUNE 1 THROUGH SEPTEMBER
10 15 MUST BE BLENDED WITH AND CONTAIN AT LEAST FIVE PERCENT
11 BIODIESEL (B5); AND

12 (II) ON OR AFTER JUNE 1, 2023, ALL DIESEL FUEL SOLD OR OFFERED
13 FOR SALE IN A NONATTAINMENT AREA FROM JUNE 1 THROUGH SEPTEMBER
14 15 MUST BE BLENDED WITH AND CONTAIN AT LEAST TEN PERCENT
15 BIODIESEL (B10).

16 (b) THE DIRECTOR:

17 (I) SHALL PROMULGATE RULES TO:

18 (A) ESTABLISH A WAIVER PROCESS BY WHICH A DISTRIBUTOR OR
19 RETAILER OF DIESEL FUEL OR A REFINER OR TERMINAL OPERATOR IN
20 COLORADO MAY SEEK A TEMPORARY WAIVER FROM THE REQUIREMENTS
21 SET FORTH IN SUBSECTION (1)(a) OF THIS SECTION FOR GOOD CAUSE
22 SHOWN, SUCH AS DEMONSTRATING AN EXTREME DISRUPTION OR
23 LIMITATION IN THE SUPPLY OF BIODIESEL OR EXTREME WEATHER
24 CONDITIONS; AND

25 (B) FOR A BILL OF LADING, REQUIRE THE LABELING OF
26 BIODIESEL-BLENDED FUEL TO REFLECT THE PERCENTAGE OF BIODIESEL
27 INCLUDED IN THE BLENDED FUEL WHEN THE BLEND IS EQUAL TO OR ABOVE
28 FIVE PERCENT BIODIESEL (B5); AND

29 (II) MAY PROMULGATE ADDITIONAL RULES TO IMPLEMENT THIS
30 SECTION AS THE DIRECTOR DEEMS NECESSARY, WHICH RULES MAY
31 INCLUDE:

32 (A) REQUIREMENTS FOR FUEL DISPENSER LABELING FOR THE SALE
33 OF BIODIESEL-BLENDED FUELS;

34 (B) REQUIREMENTS THAT REFINERS AND TERMINAL OPERATORS
35 WITH LOCATIONS IN A NONATTAINMENT AREA OFFER CLEAR DIESEL (B0)
36 AND THAT BIODIESEL PRODUCERS WITH POSITIONS AT REFINERIES AND
37 TERMINALS OFFER BIODIESEL BLEND STOCK (B100) FOR THE PURPOSES OF
38 ENSURING SUPPLY SECURITY AND ENHANCING FEDERALLY LICENSED
39 BLENDERS' ABILITY TO MEET THE REQUIREMENTS SET FORTH IN
40 SUBSECTION (1)(a) OF THIS SECTION; AND

41 (C) ESTABLISHING A WAIVER PROCESS BY WHICH PERSONS USING

1 DIESEL FUEL FOR SPECIFIC PURPOSES, SUCH AS FOR LOCOMOTIVES OR
2 OFF-ROAD MINING EQUIPMENT, MAY SEEK A WAIVER FROM THE
3 REQUIREMENTS SET FORTH IN SUBSECTION (1)(a) OF THIS SECTION FOR
4 GOOD CAUSE SHOWN, SUCH AS ENGINE INCOMPATIBILITY.

5 (2) THE DEPARTMENT, THE AIR QUALITY CONTROL COMMISSION
6 CREATED IN SECTION 25-7-104, AND THE COLORADO OFFICE OF ECONOMIC
7 DEVELOPMENT CREATED IN SECTION 24-48.5-101 ARE EACH ENCOURAGED
8 TO RESEARCH POTENTIAL GRANT PROGRAM IMPLEMENTATION AND
9 INCENTIVES TO PROMOTE THE PRODUCTION OF BIODIESEL-BLENDED FUEL
10 IN THE STATE.

11 (3) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE
12 REQUIRES:

13 (a) (I) "BIODIESEL" MEANS FUEL COMPOSED OF MONO-ALKYL
14 ESTERS OF LONG-CHAIN FATTY ACIDS DERIVED FROM PLANT OR ANIMAL
15 MATTER THAT MEETS THE MOST CURRENT SPECIFICATIONS FOR ASTM
16 D6751, WHICH IS THE "STANDARD SPECIFICATION FOR BIODIESEL FUEL
17 BLEND STOCK (B100) FOR MIDDLE DISTILLATE FUELS", AND ASTM
18 D7467, WHICH IS THE "STANDARD SPECIFICATION FOR DIESEL FUEL OIL,
19 BIODIESEL BLEND (B6 TO B20)".

20 (II) BIODIESEL PRODUCED FROM PALM OIL IS NOT BIODIESEL FOR
21 PURPOSES OF THIS SECTION UNLESS THE PALM OIL IS CONTAINED WITHIN
22 WASTE OIL AND GREASE COLLECTED WITHIN THE UNITED STATES.

23 (III) RENEWABLE DIESEL IS BIODIESEL FOR PURPOSES OF THIS
24 SECTION.

25 (b) "DIRECTOR" MEANS THE DIRECTOR OF THE DIVISION OF OIL AND
26 PUBLIC SAFETY CREATED IN SECTION 8-20-101.

27 (c) "NONATTAINMENT AREA" MEANS AN AREA OF THE STATE
28 DESIGNATED BY THE UNITED STATES ENVIRONMENTAL PROTECTION
29 AGENCY AS NOT MEETING THE NATIONAL AMBIENT AIR QUALITY
30 STANDARDS.

31 **SECTION 2.** In Colorado Revised Statutes, 8-20.5-103, **amend**
32 (3) introductory portion and (3)(g); and **add** (3)(h) as follows:

33 **8-20.5-103. Petroleum storage tank fund - petroleum cleanup**
34 **and redevelopment fund - creation - rules - repeal.** (3) The ~~moneys~~
35 MONEY in the petroleum storage tank fund ~~are~~ IS continuously
36 appropriated to the division of oil and public safety; except that ~~moneys~~
37 MONEY for the purposes specified in ~~paragraphs (b), (f), and (g)~~
38 SUBSECTIONS (3)(b), (3)(f), AND (3)(g) of this ~~subsection (3)~~ SECTION are
39 subject to annual appropriation by the general assembly. The fund shall
40 be used for:

41 (g) Administrative costs necessary for the implementation of this
42 ~~article and~~ ARTICLE 20.5, section 8-20-206.5, AND SECTION 8-20-236; AND

43 (h) FUEL QUALITY TESTING.

44 **SECTION 3. Act subject to petition - effective date.** This act
45 takes effect at 12:01 a.m. on the day following the expiration of the

1 ninety-day period after final adjournment of the general assembly (August
2 5, 2020, if adjournment sine die is on May 6, 2020); except that, if a
3 referendum petition is filed pursuant to section 1 (3) of article V of the
4 state constitution against this act or an item, section, or part of this act
5 within such period, then the act, item, section, or part will not take effect
6 unless approved by the people at the general election to be held in
7 November 2020 and, in such case, will take effect on the date of the
8 official declaration of the vote thereon by the governor."

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