

FIRST REGULAR SESSION

HOUSE BILL NO. 368

93RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES MUNZLINGER (Sponsor), BROWN (30), MYERS, SWINGER,
DOUGHERTY, SANDER, WHORTON, HOBBS, DETHROW, SATER,
WILSON (119) AND DARROUGH (Co-sponsors).

Read 1st time January 27, 2005 and copies ordered printed.

STEPHEN S. DAVIS, Chief Clerk

0935L.011

AN ACT

To repeal section 414.433, RSMo, and to enact in lieu thereof one new section relating to biodiesel fuel.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 414.433, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 414.433, to read as follows:

414.433. 1. As used in this section, the following terms mean:

- (1) "B-20", a blend of two fuels of twenty percent by volume biodiesel and eighty percent by volume petroleum-based diesel fuel;
- (2) "Biodiesel", as defined in ASTM Standard PS121 or its subsequent standard specification for biodiesel fuel (B 100) blend stock for distillate fuels;
- (3) "Eligible new generation cooperative", a nonprofit farmer-owned cooperative association formed pursuant to chapter 274, RSMo, or incorporated pursuant to chapter 357, RSMo, for the purpose of operating a development facility or a renewable fuel production facility, as defined in section 348.430, RSMo.

2. Beginning with the 2002-03 school year and lasting through the [2005-06] **2011-12** school year, any school district may contract with an eligible new generation cooperative to purchase biodiesel fuel for its buses of a minimum of B-20 under conditions set out in subsection 3 of this section.

3. Every school district that contracts with an eligible new generation cooperative for

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

15 biodiesel pursuant to subsection 2 of this section shall receive an additional payment through its
16 state transportation aid payment pursuant to section 163.161, RSMo, so that the net price to the
17 contracting district for biodiesel will not exceed the rack price of regular diesel. If there is no
18 incremental cost difference between biodiesel above the rack price of regular diesel, then the
19 state school aid program will not make payment for biodiesel purchased during the period where
20 no incremental cost exists. The payment shall be made based on the incremental cost difference
21 incrementally up to seven-tenths percent of the entitlement authorized by section 163.161,
22 RSMo, for the 1998-99 school year. The payment amount may be increased by four percent each
23 year during the life of the program. No payment shall be authorized pursuant to this subsection
24 or contract required pursuant to subsection 2 of this section if moneys are not appropriated by
25 the general assembly.

26 4. The department of elementary and secondary education shall promulgate such rules
27 as are necessary to implement this section, including but not limited to a method of calculating
28 the reimbursement of the contracting school districts and waiver procedures if the amount
29 appropriated does not cover the additional costs for the use of biodiesel. Any rule or portion of
30 a rule, as that term is defined in section 536.010, RSMo, that is created under the authority
31 delegated in this section shall become effective only if it complies with and is subject to all of
32 the provisions of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This section
33 and chapter 536, RSMo, are nonseverable and if any of the powers vested with the general
34 assembly pursuant to chapter 536, RSMo, to review, to delay the effective date or to disapprove
35 and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority
36 and any rule proposed or adopted after August 28, 2001, shall be invalid and void.