

HCS HB 529 -- MISSOURI MADE FUELS ACT

SPONSOR: Haffner

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Agriculture Policy by a vote of 16 to 1. Voted "Do Pass" by the Standing Committee on Rules- Administrative Oversight by a vote of 11 to 2.

The following is a summary of the House Committee Substitute for HB 529. This bill establishes the "Missouri-Made Fuels Act", which specifies that all diesel fuel sold or offered for sale in Missouri for use in internal combustion engines must contain at least the following stated percentage of biodiesel fuel oil by volume on and after the following dates:

- (1) April 1, 2023, until March 31, 2024, 5%; and
- (2) Beginning April 1, 2024, 10%.

The minimum content levels shall be in effect during the months of April, May, June, July, August, September, and October, except in certain circumstances. The minimum content levels go into effect when the Director of the Department of Agriculture submits notice in the Missouri Register that certain conditions have been met and the state is prepared to move to the next scheduled minimum content level.

The minimum biodiesel content levels shall not apply to certain equipment and the bill specifies requirements for bills of lading or shipping manifests for diesel fuel and for biodiesel-blended products.

A violation of the provisions of this bill is a class A misdemeanor.

The Missouri-Made Fuels Act will sunset 10 years after its effective date.

This bill is similar to HCS HB 1858 (2020).

The following is a summary of the public testimony from the committee hearing. The testimony was based on the introduced version of the bill.

PROPONENTS: Supporters say that biodiesel was invented in Missouri and over 200 million gallons are produced in the state each year, but much of it is exported to other states. Biodiesel is a low emission diesel fuel option that can help Missouri meet the

renewable fuels standards. This bill would provide for a roll out of a statewide biodiesel fuel standard that would create jobs and grow the state's agricultural economy, while providing an environmentally friendly fuel option.

Testifying for the bill were Representative Haffner; Missouri Farm Bureau; Missouri Soybean Association; Cliff Smith, Mid-America Biofuels; Missouri Renewable Fuels Association; James Greer, MFA Oil Company; Missouri Corn Growers Association; Scott Fenwick, National Biodiesel Board; and the Cattlemen's' Association. Additional written testimony was submitted in support of the bill.

OPPONENTS: Those who oppose the bill say that the market should mandate what fuels are sold in the state and not the government. Many gas stations are selling biodiesel already but that there are not consumer protections to keep from increasing fuel costs. Also, much of the equipment currently installed at gas stations is not warranted for higher blends of biodiesel.

Testifying against the bill were Casey's General Stores; American Fuel & Petrochemical Manufacturers; Truckstops of Missouri; Delia Meier, Joplin Petro 44 & Oak Grove 70 Truckstops; Missouri Petroleum & Convenience Association (MPCA); Diamond Pet Foods; and the Missouri Trucking Association. Additional written testimony was submitted in opposition to the bill.

OTHERS: Others testifying on the bill say they have concerns about the bill as filed but are working with the sponsor. They want to ensure that the requirements in the bill do not interrupt the flow of fuels through the pipeline.

Testifying on the bill was Magellan Midstream Partners.

Written testimony has been submitted for this bill. The full written testimony can be found under Testimony on the bill page on the House website.