

# House Bill 3463

Sponsored by Representatives JENSON, CLEM; Representatives BAILEY, BARNHART, CAMERON, Senators NELSON, ROSENBAUM

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Requires notice to dealers when capacity of biodiesel production facilities in Oregon reaches specified levels. Prohibits sale of diesel fuel that does not contain specified percentage of biodiesel after certain date. Deletes provisions allowing specified percentage of other renewable diesel in place of biodiesel for use in diesel fuel.

Declares emergency, effective on passage.

## A BILL FOR AN ACT

1  
2 Relating to biodiesel; amending ORS 646.921 and 646.922 and section 16, chapter 739, Oregon Laws  
3 2007; and declaring an emergency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 646.921 is amended to read:

6 646.921. (1) The State Department of Agriculture shall study and monitor biodiesel fuel pro-  
7 duction, use and sales and certificates of analysis in this state.

8 (2) When the [*production of biodiesel in this state from sources in Oregon, Washington, Idaho and*  
9 *Montana*] **capacity of biodiesel production facilities in Oregon** reaches a level of at least 5 million  
10 gallons on an annualized basis [*for at least three months*], the department shall notify all retail  
11 dealers, nonretail dealers and wholesale dealers in this state, in a notice that meets the require-  
12 ments of subsection (5) of this section.

13 (3) When the [*production of biodiesel in this state from sources in Oregon, Washington, Idaho and*  
14 *Montana*] **capacity of biodiesel production facilities in Oregon** reaches a level of at least 15  
15 million gallons on an annualized basis [*for at least three months*], the department shall notify all re-  
16 tail dealers, nonretail dealers and wholesale dealers in this state, in a notice that meets the re-  
17 quirements of subsection (5) of this section.

18 (4) All retail dealers, nonretail dealers and wholesale dealers in Oregon are required to provide,  
19 upon the request of the department, a certificate of analysis for biodiesel received.

20 (5) The notices required under this section shall inform retail dealers, nonretail dealers and  
21 wholesale dealers that:

22 (a) The [*production of biodiesel*] **capacity of biodiesel production facilities in Oregon** has  
23 reached the level described in subsection (2) or (3) of this section, as appropriate; and

24 (b) [*Three*] **Two** months after the date of the notice, a retail dealer, nonretail dealer or wholesale  
25 dealer may sell or offer for sale diesel fuel only as described in ORS 646.922.

26 **SECTION 2.** ORS 646.922 is amended to read:

27 646.922. (1) [*Three*] **Two** months after the date of the notice given under ORS 646.921 (2), a retail  
28 dealer, nonretail dealer or wholesale dealer may not sell or offer for sale diesel fuel unless the diesel  
29 fuel contains at least two percent biodiesel by volume [*or other renewable diesel with at least two*

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.  
New sections are in **boldfaced** type.

1 *percent renewable component by volume*].

2 (2) [Three] **Two** months after the date of the notice given under ORS 646.921 (3), a retail dealer,  
 3 nonretail dealer or wholesale dealer may not sell or offer for sale diesel fuel unless the diesel fuel  
 4 contains at least five percent biodiesel by volume [*or other renewable diesel with at least five percent*  
 5 *renewable component by volume*]. Diesel fuel containing more than five percent biodiesel by volume  
 6 [*or other renewable diesel with more than five percent renewable component by volume*] must be la-  
 7 beled as provided by the State Department of Agriculture by rule.

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

13 (4) The minimum biodiesel fuel content [*or renewable component in other renewable diesel*] re-  
 14 quirements under subsections (1) and (2) of this section do not apply to diesel fuel sold or offered  
 15 for sale for use by railroad locomotives, marine engines or home heating.

16 **SECTION 3.** Section 16, chapter 739, Oregon Laws 2007, is amended to read:

17 **Sec. 16.** [Sections 14 and 15 of this 2007 Act] **ORS 646.922 and 646.923** become operative on a  
 18 date that is [three] **two** months following the date of the first notice required under [section 13 (2)  
 19 of this 2007 Act] **ORS 646.921 (2)**.

20 **SECTION 4. This 2009 Act being necessary for the immediate preservation of the public**  
 21 **peace, health and safety, an emergency is declared to exist, and this 2009 Act takes effect**  
 22 **on its passage.**

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