

**PRELIMINARY** STAFF MEASURE SUMMARY

CARRIER:

Senate Committee on Environment and Natural Resources

**REVENUE:** No revenue impact

**FISCAL:** May have fiscal impact, statement not yet issued

**SUBSEQUENT REFERRAL TO:**

**Action:**

**Vote:**

**Yeas:**

**Nays:**

**Exc.:**

**Prepared By:** Beth Reiley, Administrator

**Meeting Dates:** 4/13

**WHAT THE MEASURE DOES:** Provides that requirement to sell or offer for sale diesel fuel that contains specified percentage of biodiesel or other renewable fuel does not apply to sale of diesel fuel that is exempt from excise tax in counties east of summit of Cascade Mountains during period from October 1 of each year to February 28 of following year. Allows sale of diesel fuel to which substances have been added to prevent gelling or congealing from October 1 of each year to February 28 of following year. Declares emergency, effective on passage.

**ISSUES DISCUSSED:**

**EFFECT OF COMMITTEE AMENDMENT:**

**BACKGROUND:** In 2007 the Legislature passed House Bill 2210 which required the Department of Agriculture to monitor biodiesel and ethanol production capacity in Oregon and to initiate minimum fuel blending standards statewide for biodiesel and ethanol.

Senate Bill 163 provides an exemption from the requirement that fuel must contain a certain percentage of biodiesel or other renewable diesel for the sale of diesel fuel that is exempt from an excise tax in counties east of the summit of the Cascade Mountains from November 1 to February 28.