

SESSION OF 2003

**SUPPLEMENTAL NOTE ON
SUBSTITUTE FOR HOUSE BILL NO. 2036**

As Amended by Senate Committee on
Agriculture

Brief*

Sub. for HB 2036 would add a new provision to the illegal acts section of the Petroleum Products Inspection Act. The bill would make it a violation of the Act to represent that diesel fuel is or contains biodiesel fuel blend or otherwise to represent that diesel fuel is made from renewable resources, unless not less than two percent of the diesel fuel mixture is mono-alkyl esters derived from vegetable oil, recycled cooking oil, or animal fat. The bill also would provide that biodiesel fuel used in biodiesel fuel blends would conform to specifications by the American Society of Testing and Materials, issued in March of 2002, or later versions adopted through rules and regulations of the Secretary of Agriculture.

In addition, the bill would require that all bulk motor-vehicle fuels purchased by any state agency for use in state-owned motor vehicles be fuel blends containing at least 10 percent ethanol as long as the price is not more than 10 cents per gallon greater than regular fuel.

Also, the bill would require that, where available under current state purchasing agreements, individual motor-vehicle purchases for state-owned motor vehicles would be motor-vehicle blends containing at least 10 percent ethanol as long as the price is not more than 10 cents per gallon greater than regular fuel.

Lastly, the bill would require that when there are diesel fuel purchases for state-owned diesel powered vehicles and equipment, those purchases are to be a 2 percent or higher blend of biodiesel,

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org/klrd>

where available, as long as the price is not greater than 10 cents more per gallon than the price of diesel fuel.

Background

Several conferees appeared before the House Agriculture Committee in support of the original bill. Among those appearing included representatives of the Kansas Farm Bureau and the Kansas Soybean Association. Also appearing to provide information was the president of the Kansas Soybean Commission. An individual from Cherokee County also appeared in support of the bill. The person representing the Association stated that his organization had adopted a resolution supporting a standard for biodiesel. There were no opponents to the bill.

The House Committee on Agriculture adopted a substitute bill to place the standard in the unlawful acts section of the Petroleum Products Inspection Act since this act is administered by the Secretary of Agriculture who is responsible for fuel testing in this state. The original bill had placed the standard in the Consumer Protection Act which is under the authority of the Kansas Attorney General.

The Senate Committee on Agriculture amended the bill to clarify that recycled cooking oil could be used to make biodiesel; to provide that the Secretary of Agriculture could update the specifications by the American Society of Testing and Materials through the adoption of administrative rules and regulations; and to add provisions of SB 191 which, under certain circumstances, requires the purchase of ethanol and biodiesel for use in state-owned vehicles.