

Second Regular Session
Seventy-second General Assembly
STATE OF COLORADO

DRAFT
10.10.19

BILL 4

LLS NO. 20-0339.01 Jennifer Berman x3286

INTERIM COMMITTEE BILL

Energy Legislation Review Interim Study Committee

BILL TOPIC: "Statewide Biodiesel Blend Reqmnt Diesel Fuel Sales"

A BILL FOR AN ACT

101 **CONCERNING THE ESTABLISHMENT OF A STATEWIDE STANDARD FOR**
102 **THE SALE OF BIODIESEL-BLENDED DIESEL FUEL IN COLORADO.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov/>.)

Energy Legislation Review Interim Study Committee. The bill requires that all diesel fuel sold or offered for sale in Colorado on or after January 1, 2021, be blended with and contain at least 5% biodiesel and that all diesel fuel sold or offered for sale in Colorado on or after January 1, 2023, be blended with and contain at least 10% biodiesel.

The director of the division of oil and public safety in the

*Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

department of labor and employment, in consultation with the air quality control commission, shall promulgate rules regarding the blending standard, including rules to establish a waiver process.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, **add** 8-20-236 as
3 follows:

4 **8-20-236. Statewide biodiesel-blended fuel standard -**
5 **definitions - rules - repeal.** (1) (a) EXCEPT AS PROVIDED BY RULES
6 PROMULGATED PURSUANT TO SUBSECTION (1)(b)(I) OF THIS SECTION:

7 (I) ON OR AFTER JANUARY 1, 2021, ALL DIESEL FUEL SOLD OR
8 OFFERED FOR SALE IN COLORADO MUST BE BLENDED WITH AND CONTAIN
9 AT LEAST FIVE PERCENT BIODIESEL; AND

10 (II) ON OR AFTER JANUARY 1, 2023, ALL DIESEL FUEL SOLD OR
11 OFFERED FOR SALE IN COLORADO MUST BE BLENDED WITH AND CONTAIN
12 AT LEAST TEN PERCENT BIODIESEL.

13 (b) THE DIRECTOR, IN CONSULTATION WITH THE COMMISSION:

14 (I) SHALL PROMULGATE RULES TO ESTABLISH A WAIVER PROCESS
15 BY WHICH A DISTRIBUTOR OR RETAILER OF DIESEL FUEL MAY SEEK A
16 TEMPORARY WAIVER FROM THE REQUIREMENTS SET FORTH IN SUBSECTION
17 (1)(a) OF THIS SECTION FOR GOOD CAUSE SHOWN, SUCH AS
18 DEMONSTRATING AN EXTREME DISRUPTION IN THE SUPPLY OF BIODIESEL
19 OR EXTREME WEATHER CONDITIONS; AND

20 (II) MAY PROMULGATE RULES:

21 (A) AFTER JANUARY 1, 2021, BUT BEFORE JANUARY 1, 2023, TO
22 ACCELERATE THE TIMELINE SET FORTH IN SUBSECTION (1)(a)(II) OF THIS
23 SECTION FOR INCREASING THE BLENDING STANDARD TO TEN PERCENT IF
24 THE DIRECTOR DETERMINES THAT IT IS TECHNICALLY AND ECONOMICALLY

1 FEASIBLE TO MEET THE TEN PERCENT STANDARD STATEWIDE BEFORE
2 JANUARY 1, 2023. THIS SUBSECTION (1)(b)(II)(A) IS REPEALED, EFFECTIVE
3 SEPTEMBER 1, 2023.

4 (B) TO INCREASE THE BLENDING STANDARD BEYOND TEN PERCENT
5 IF THE DIRECTOR DETERMINES THAT IT IS TECHNICALLY AND
6 ECONOMICALLY FEASIBLE TO MEET A HIGHER BLENDING STANDARD
7 STATEWIDE; AND

8 (C) AS THE DIRECTOR DEEMS NECESSARY TO IMPLEMENT THIS
9 SECTION.

10 (2) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE
11 REQUIRES:

12 (a) "BIODIESEL" MEANS FUEL COMPOSED OF MONO-ALKYL ESTERS
13 OF LONG CHAIN FATTY ACIDS DERIVED FROM PLANT OR ANIMAL MATTER
14 THAT MEETS ASTM SPECIFICATIONS.

15 (b) "COMMISSION" MEANS THE AIR QUALITY CONTROL COMMISSION
16 CREATED IN SECTION 25-7-104.

17 (c) "DIRECTOR" MEANS THE DIRECTOR OF THE DIVISION OF OIL AND
18 PUBLIC SAFETY CREATED IN SECTION 8-20-101.

19 **SECTION 2. Act subject to petition - effective date.** This act
20 takes effect at 12:01 a.m. on the day following the expiration of the
21 ninety-day period after final adjournment of the general assembly (August
22 5, 2020, if adjournment sine die is on May 6, 2020); except that, if a
23 referendum petition is filed pursuant to section 1 (3) of article V of the
24 state constitution against this act or an item, section, or part of this act
25 within such period, then the act, item, section, or part will not take effect
26 unless approved by the people at the general election to be held in

- 1 November 2020 and, in such case, will take effect on the date of the
- 2 official declaration of the vote thereon by the governor.