

FIRST REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 868
91ST GENERAL ASSEMBLY

Reported from the Committee on Environment and Energy, April 9, 2001, with recommendation that the House Committee Substitute for House Bill No. 868 Do Pass.

TED WEDEL, Chief Clerk

1738L.02C

AN ACT

To amend chapter 414, RSMo, by adding thereto one new section relating to the use of biodiesel to fuel school buses in school districts.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Chapter 414, RSMo, is amended by adding thereto one new section, to be
2 known as section 414.433, to read as follows:

414.433. 1. As used in this section, the following terms mean:

2 **(1) "B-20", a blend of two fuels of twenty percent by volume biodiesel and eighty**
3 **percent by volume petroleum-based diesel fuel;**

4 **(2) "Biodiesel", as defined in ASTM Standard PS121;**

5 **(3) "Eligible new generation cooperative", a nonprofit farmer-owned cooperative**
6 **association formed pursuant to chapter 274, RSMo, or incorporated pursuant to chapter**
7 **357, RSMo, for the purpose of operating a development facility or a renewable fuel**
8 **production facility, as defined in section 348.430, RSMo.**

9 **2. Beginning with the 2002-2003 school year and lasting through the 2005-2006**
10 **school year, any school district may contract with an eligible new generation cooperative**
11 **to purchase biodiesel fuel for its buses of a minimum of B-20 under conditions set out in**
12 **subsection 3 of this section.**

13 **3. Every school district that contracts with an eligible new generation cooperative**
14 **for biodiesel pursuant to subsection 2 of this section shall receive an additional payment**
15 **through its state school aid payment so that the net price to the contracting district for**
16 **biodiesel will not exceed the market price of regular diesel. The total statewide payments**
17 **shall be limited to seven-tenths percent of the entitlement authorized by section 163.161,**
18 **RSMo, for the 1998-1999 school year. The payment amount may be increased by four**

19 percent each year during the life of the program. No payment shall be authorized
20 pursuant to this subsection or contract required pursuant to subsection 2 of this section if
21 moneys are not appropriated by the general assembly.

22 4. The department of elementary and secondary education shall promulgate such
23 rules as are necessary to implement this section, including but not limited to a method of
24 calculating the reimbursement of the contracting school districts and waiver procedures
25 if the amount appropriated does not cover the additional costs for the use of biodiesel. No
26 rule or portion of a rule promulgated pursuant to this section shall become effective unless
27 it has been promulgated pursuant to chapter 536, RSMo.